S. HRG. 100–443

LEGISLATIVE BRANCH APPROPRIATIONS FOR FISCAL YEAR 1988

HEARINGS

BEFORE A

SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS UNITED STATES SENATE

ONE HUNDREDTH CONGRESS

FIRST SESSION

ON

H.R. 2714

AN ACT MAKING APPROPRIATIONS FOR THE LEGISLATIVE BRANCH FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1988, AND FOR OTHER PURPOSES

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LEGISLATIVE BRANCH APPROPRIATIONS FOR FISCAL YEAR 1988

WEDNESDAY, MARCH 4, 1987

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, DC.

The subcommittee met at 2 p.m. in room SD–124, Dirksen Senate Office Building, Hon. Dale Bumpers (chairman) presiding.

Present: Senators Bumpers, Reid, Grassley, and Hatfield.

U.S. SENATE

OFFICE OF THE SECRETARY OF THE SENATE

STATEMENT OF HON. WALTER J. STEWART, SECRETARY OF THE SENATE

ACCOMPANIED BY:
JAMES ENGLISH, ASSISTANT SECRETARY
STUART F. BALDERSON, FINANCIAL CLERK OF THE SENATE

OPENING REMARKS

Senator BUMPERS. The subcommittee will come to order.

Without objection, I will introduce my opening statement into the record and dispense with reading it, trying to expedite the hearings.

We are honored to have with us today the Secretary of the Senate. I didn't know that his name was Walter J. until today.

Joe, please proceed.

Mr. STEWART. Mr. Chairman and members of the committee, I want to thank you for the opportunity to appear before you today to present the fiscal year 1988 budget request. Let me also take this opportunity to congratulate you, Mr. Chairman, and you, Senator Grassley, on assuming the duties of chairman and ranking minority member of this very important committee.

INTRODUCTION OF ASSOCIATES

I would also like to introduce to you the Assistant Secretary, Jim English, on my left; and the Financial Clerk, Stuart Balderson, on my right. Both Jim and I are alumni of this committee of quite a few years standing.

I would ask that my written statement and that of Mr. Balderson be entered in the record in full.

Senator BUMPERS. If you would summarize, it would be appreciated.

FISCAL YEAR 1987 SUPPLEMENTAL REQUEST

Mr. STEWART. Before proceeding to the 1988 budget, we have a supplemental request for fiscal year 1987 of $120.000 for the Office of Classified National Security Information. This is an office that the leadership, the chairman of the Governmental Affairs Committee, the Rules Committee, and the Intelligence Committee have asked us to upgrade. This supplemental request was introduced by my predecessor for that purpose.

FISCAL YEAR 1988 BUDGET REQUEST

To fund the salary expenses of the Office of the Secretary for fiscal year 1988, we are asking for $7,627,000, which is $326,000 above last year's request. This includes annualization of the pay supplemental of $157,000, and the program supplemental of $120,000, and in addition, a small amount to provide for selective salary adjustments.

For the nonsalary expenses, the Office of the Secretary is requesting an appropriation of $666,300, which is a freeze at the 1987 level.

MAJOR ACTIVITIES HIGHLIGHTED

Let me briefly highlight some of the major activities that we are undertaking in the Office of the Secretary:

In the Disbursing Office, we are now implementing the new Federal Employees Retirement System. As part of this effort, we will have available for Senate staff a workroom with PC's so they can calculate their own retirement options using specialized software.

We are participating in a special task force, created by the Sergeant at Arms, to evaluate the effectiveness of the legislative information system [LEGIS] of the Senate. The Secretary of the Senate is responsible for entering the information into the system at the Senate Computer Center.

We are carrying out our responsibilities in connection with the Senate Bicentennial Commission. As you know, Senate Resolution 352 established this Commission and provided that the Commission be staffed by the Offices of the Senate Historian and Curator, under the Secretary's jurisdiction.

The Stationery Room is upgrading its computer system in order to effectively meet its increasing workload demands. The new system is being tested at this time and should be fully operational this spring.

The Parliamentarian's Office is in the process of preparing a replacement for the Senate Procedures manual which will contain those precedents which have occurred since June 1980.

Finally, we are in the process of discussing with the Government Printing Office, the Rules Committee, and the Joint Committee on Printing a project which would greatly reduce the cost to committees for the composition of hearings, committee prints, et cetera, from $50 per page to approximately 30 cents per page. This would be accomplished by using existing computer technology to electronically compose and transmit such materials, thereby eliminating the need for typesetting, which is the most expensive operation at GPO.

Let me conclude by saying that I have carefully reviewed each of our departments, and I have found, without exception, that the staff are very talented and dedicated people, and we intend to do all we can to carry out the responsibilities of this Office.

Senator BUMPERS. Do either of your colleagues have any statement to make?

PREPARED STATEMENTS

Mr. STEWART. Mr. Balderson would like to insert his statement in the record.

Senator BUMPERS. Without objection, so ordered.

[The statements follow:]

STATEMENT OF WALTER J. STEWART, SECRETARY OF THE SENATE

Mr. Chairman and Members of the Subcommittee, I want to thank you for the opportunity to appear before you today to present the fiscal year 1988 budget request for the Office of the Secretary. Let me also take this opportunity to congratulate you, Mr. Chairman, and you Senator Grassley on assuming the duties of Chairman and Ranking Minority Member of this very important Subcommittee.

SUMMARY OF BUDGET

Mr. Chairman, before proceeding to the FY 88 budget, I would like to first address a program supplemental which my predecessor requested for FY 87. That request of $120,000 would be used to pay additional salaries in connection with the reorganization of the Office of Classified National Security Information. As you may know, consideration is being given to seeking an expansion of the authority of this office in conjunction with a possible program to upgrade the overall personnel and information security situation in the Senate.

To fund the salary expenses of the Office of the Secretary for FY 88, I am requesting $7,627,000. This is $326,000 above last year's request of $7,301,000. The FY 87 request was reduced by $314,286 to $6,986,714. But, with the pay supplemental of $157,000 and the program supplemental of $120,000, total FY 87 appropriations would be $7,263,714. A large portion of the FY 88 increase is to cover annualization of the pay costs arising from January's COLA. Another $120,000 of the increase is the FY 88 appropriation for the increased salaries of the reorganized Office of Classified National Security Information. Finally, there is the need, in light of the very constrained budgets of the past several years, to allow room for selective administrative pay adjustments.

For the non-salary expenses of the Secretary's Office, we are requesting an appropriation of $666,300. This represents a freeze at the FY 87 appropriation level and a reduction of $32,500 below last year's request. As you know, Mr. Chairman, this account enables us to carry out the administrative responsibilities of the Office of the Secretary in areas such as the education of Senate pages ($196,400), provision of Senate service awards pursuant to S. Res. 21 ($17,226), and provide the support services necessary for operation of the Senate Library (approximately $100,000).

STATUS OF COMPUTER USAGE WITHIN THE OFFICES OF THE SECRETARY

Like the previous two Secretaries of the Senate, I am strongly committed to the numerous uses of computers throughout the Secretary's offices. At the same time, I recognize that the process of maintaining current, state-of-the-art technologies for Senate automation projects is a costly venture. Therefore, my offices have been and will be required to justify their automation requests to ensure that they are economically sound and cost-effective improvements. Last year, for example, the Senate Stationery Room installed a newly-upgraded computer system to maintain all their inventory and sales records. Their previous system was outdated and needed to be replaced with more current technology. With this upgrade, the Stationery Room will be able to perform their assigned tasks more efficiently and effectively well into the next decade. This upgrade cost $90,000, which was less expensive than replacing the entire system with an all new hardware and software configuration.

Also, to meet the growing demand for word processing support throughout our offices, we are now in the process of upgrading our NBI computer system. Currently, certain departments under the Secretary's jurisdiction have inadequate access to terminals and, for that reason, are having difficulty meeting the demands of their offices. For this reason, I recently requested the support of the Sergeant at Arms and the Committee on Rules and Administration in expanding our ability to add terminals to our NBI system, at a cost of not to exceed $70,000. These improvements should be operational this spring, and will enable us to complete our assigned functions more expeditiously.

Before the end of the 100th Congress, the Senate Historical Office will complete their updating of the Biographical Directory of the American Congress. This ongoing project will be fully automated for the next printing, which should save a large amount in printing costs. For example, the current cost to typeset, proof, print and bind a document size page of text at GPO is $130, while electronic composing, then printing and binding for the same amount of text cost less than $20. With a document the size of the

Biographical Directory, which is over 2,000 pages, the savings in total printing cost is substantial.

The Senate Disbursing Office continues to make heavy use of automation with their numerous computer projects. After many years of development, the new Senate-wide Payroll and Personnel system is targeted for implementation later this year. The Disbursing Office's Accounting Section check issuance functions will be converted this spring from Burroughs machines, which are not current technology and are, therefore, extremely difficult to maintain, to programs written for an IBM personal computer environment.

As you know, we are now implementing P.L. 99-335, the new Federal Employees Retirement System (FERS). To complete the implementation of FERS by the end of this calendar year, the Disbursing Office is offering a workroom with personal computers, where Senate staff can calculate their own retirement options using specialized software for this function. We believe that by using this approach with automation, we will be able to better serve the Senate with timely and critical information.

In one of the major undertakings of the year, the Senate Library participated in an evaluation of commercial and Capitol Hill legislative information systems with the Secretary's Office, the Sergeant at Arms' Office, the two Policy Committees, and the Committee on Rules and Administration. Again this year, the Secretary of the Senate's staff will also participate in a similar task force, created by the Sergeant at Arms, to continue an evaluation of the existing legislative information system in the Senate, LEGIS, as well as studying commercial legislative information systems for use in the Senate. I think that this is a particularly timely undertaking, and I am sure the Sergeant at Arms will want to discuss this in more detail.

We will be replacing the computer equipment now located in the Classified National Security Office with tempested, or secure, equipment. After a survey this fall, it was realized that the existing equipment does not meet all security requirements, and must be replaced with secure equipment.

I appreciate the ongoing support given to my offices from the Sergeant at Arms, the Committee on Rules and Administration, and this Committee for our computer projects.

ORIENTATION AND SEMINARS

Working with the Sergeant at Arms and the Committee on Rules and Administration, we sponsored an Orientation Program for the new Senators in November. With few exceptions, the speakers at this fall's Orientation Program were all Senators, and all Senators-elect attended the program.

Over the past year, our office continued to co-sponsor the Seminar program with the Sergeant at Arms' office. This program, designed to be a training program available to all staff, addresses such topics as the legislative process, Senate ethics, reporting and filing requirements, the budget process, the amendment process, and the various services provided by the Officers, such as the services of the Senate Library.

SENATE SERVICE AWARDS

Since the Senate Service Award program began in 1965 with the passage of S. Res. 21, the Senate has, pursuant to an agreement with L. G. Balfour, been purchasing varying quantities of service pins, plaques and certificates for Senators, officers and staff. In 1985, in an effort to contain costs and improve delivery time, we advised Balfour that we would no longer order their pins. Kay Jewelers provided the same quality pins for one-third the cost.

In August 1986, Balfour increased the cost of frames from $7.50 to $18.75 and certificates from $4.50 to $8.60. Because of their dramatically increased cost to the Senate, the Senate Legal Counsel at our request terminated the agreement, and asked for the return of Senate-owned dies, tools, layouts and designs used in the manufacture of service awards plaques and certificates.

Prior to Balfour's increase, my staff had been working with the Keeper of Stationery to obtain prices for frames and certificates. The Stationery Room can purchase a better quality frame for $3.53, and based on that figure, this year's cost for staff frames will be $564.80 versus $3,000.

The Keeper of Stationery can also order blank engraved staff certificates in bulk at a substantial savings. We anticipate that the cost of the printed certificates, which includes staff name and beginning date of service, will be considerably less than last year. However, we will not be able to obtain an actual price until the return of the dies and designs.

CURATOR OF ART AND ANTIQUITIES

The office of the Senate Curator was established in 1968 to implement the policies of the U. S. Senate Commission on Art and Antiquities. Its responsibilities are closely related to the museum programs of the Senate wing of the Capitol and the Senate office buildings. The Curator and staff suggest acquisitions, provide appropriate exhibits, engage in research, and write and edit publications. In addition, the office studies, identifies, arranges, protects, preserves and records the historical collections of the Senate, including paintings, sculpture and furnishings, and exercises supervisory responsibility for those chambers in the Capitol under the jurisdiction of the Commission on Art and Antiquities.

Major Activities

As it endeavors to document the story of the United States Senate, the Commission on Art and Antiquities places special emphasis on the institution's social history. Perhaps no more colorful chapter exists than the tradition of dining and the role of food in the Senate. The subject is as old as the Capitol, and has been an integral part of the Senate's daily operation, ranging from the myriad of facilities located throughout the Hill, to the variety of recipes introduced over the years to bolster the vitality of waning filibusters. To chronicle this topic, the exhibition, "Bills of Fare: The Story of Dining in the Senate," was remounted and installed in the Crypt of the Capitol. The exhibit, which will continue into 1987, is also the subject of the monograph, SENATORIAL FARE, a brief history of Capitol dining, featuring many of the recipes long associated with the Senate. A limited number of copies of this publication are still available from the Curator's office. Two Commission publications related to the Senate's exhibit program were reissued in 1986. These were FACES FROM THE GOLDEN AGE, which accompanied the photographic exhibit of the mid-19th century Senate, and BRUMIDI, a folio and monograph originally issued for the commemoration of the frescoist Constantino Brumidi's 180th birthday.

The Commission on Art and Antiquities sponsored the third annual film series in June 1986, as part of its Bicentennial observance. Last year, the popular program featured three classic Hollywood productions released during the past half century: "Mr. Smith Goes to Washington;" "The Senator Was

Indiscreet;" and "Advise and Consent." The last feature, filmed on location in Washington and completed in 1962, provides rich documentation of Capitol Hill interiors, from Senate subway to Rotunda paintings, and includes the first on-site commercial filming in the Senate Caucus Room.

From the time of the Commission's establishment nearly 20 years ago, the development of guidelines to be applied to objects being considered for acquisition has been of prime importance. In accord with the Commission's recommendations, several significant additions to the Senate collections were made in 1986. Thirty 19th century engravings and lithographs were purchased for the print collection. Among them are seven rare political cartoons. The dairy of a Senate page, who served in the first quarter of this century, was an unusual and welcome gift. The Commission also approved the acquisition of a commemorative mural honoring the crew of the space shuttle "Challenger," to be installed in 1987 in the Senate wing of the Capitol.

The collections of the Senate were represented in two Washington-area exhibitions through the loan to the National Portrait Gallery of John Frazee's marble bust of Chief Justice John Jay, and the loan of an Old Supreme Court Justice's desk to an Alexandria exhibit devoted to the work of cabinetmaker James Green and his family.

Under the Commission's collections' management program, several advances were made in recent months. For several years, the Curator's office computer programs have been divided between two separate systems. Now, all programs, including the catalogues of fine arts and decorative arts collections, have been placed in a single system, compatible with that used by most offices under the Secretary of the Senate. In addition, a number of new programs have been placed online. These include the index for the Papers of Issac Bassett, the comprehensive print collection guide, and programs documenting the Commission's budget and financial records. The collections' management program has been benefited by the publication of maintenance/conservation procedures for the Old Senate and Old Supreme Court Chamber.

While the curatorial staff is able to perform many of the measures necessary for the proper care and preservation of the Senate's collections, it must also depend on qualified professionals for major conservation problems. The heroic oil portrait of Daniel Webster by James Henry Wright, which hangs in a stairwell adjacent to the Senate Chamber, was removed in October to a local conservation studio for extensive restoration. Comprehensive repairs to the Old Supreme Court's celebrated Willard clock were carried out recently by an Alexandria horologist.

The chambers of the Old Senate and Old Supreme Court continue to be settings for a wide range of interests. Visitors from throughout the world frequent the rooms on a daily basis. Film and television crews chronicling the history and traditions of the Senate and Supreme Court make frequent requests to record these meetingplaces. The efforts of the media to participate in the celebration of our Constitution's Bicentennial have also increased interest in the old chambers. Thus, their care and maintenance are never-ending challenges addressed by the Curator's office, with the cooperation of the staffs of the Sergeant at Arms, the Architect of the Capitol, Capitol Guide Service, and Capitol Police. During the past year, an extensive refurbishing program in the Old Supreme Court Chamber was completed. This work included replacement (or repair), cleaning and rehanging of all curtains; repainting and installation of new protective floor covering; modification of the lighting system; and restoration and repairs to selected furniture. A similar program is underway in the Old Senate Chamber and is scheduled for completion in 1987.

The Secretary of the Senate, in fulfilling his responsibilities under the Foreign Gifts and Decorations Act, relies on the curatorial staff for registration and cataloging of all gifts and decorations, with a retail value in the United States of more than $100, received by Senators, their spouses and Senate employees from representatives of foreign governments. Before any disposition of these gifts is made, each object is photographed and its provenance confirmed. With the approval of the Select Committee on Ethics, the objects are then returned to the recipient for official use, or directed to the Commission on Art and Antiquities for appropriate disposition.

SENATE HISTORICAL OFFICE

The Senate Historical Office collects and provides information on important events, dates, statistics, precedents, and historical comparisons of current and past activities of the Senate for use by Members' offices, the press, scholars, and the general public. A staff of six advises Senators and committees on cost-effective disposition of their non-current office files, assists researchers seeking access to Senate records, and maintains a register of locations of former Members' papers. The office edits for publication, executive session transcripts of the Senate Foreign Relations Committee, conducts oral history interviews with retired senior Senate staff, and maintains extensive biographical information on all who have served in the Senate. The Photo Historian provides coverage of current Senate activities of potential historical significance and collects, for Senate and public use, older photographs illustrative of the Senate and its 1,668 former Members. Along with the Office of Senate Curator, the Historical Office serves as the staff for the Senate Bicentennial Commission.

Biographical Directory of the United States Congress

During fiscal year 1986, work advanced rapidly on the revised edition of the *Biographical Directory of the United States Congress, 1774-1989*, authorized by S. Con. Res. 85 (99th Congress). By the end of the year, data forms, developed by the Historical Office and the chief source of information for the revised entries in the *Directory*, had been completed for every former Senator. While preparation of each form required consultation of a variety of research sources, including reference books, newspapers, and manuscript collections, they have proved invaluable in answering reference questions quickly and accurately. To date, more than half of the approximately 1,600 Senate entries in the 1972 edition of the *Directory* have been reviewed to correct errors, and add new information, such as date of service termination, date of death, committee chairmanships, and brief biographies. It is expected that this initial editorial revision will be completed early in 1987.

The Historical Office is working closely with the Senate Computer Center on this project and the relationship was especially smooth during 1986. Programs have been devised to permit the editors to see formatted hard copy of the edited text and enable the Senate material to be transmitted back to the House computer facility, where the data for the entire volume are stored, and integrated into the full text.

Guide to Senate Records at the National Archives

Nearly 50 years ago, in April 1937, the Senate transferred its official records, dating back to the 1st Congress of 1789, to the newly opened National Archives. In 1950 the National Archives published a "Preliminary Inventory" that outlined the scope of the Senate's collections through the end of World War II. Since then Senate holdings at the Archives have doubled. There is currently no reliable guide to their rich, but lightly used contents. In 1982 a special Senate bicentennial study group strongly recommended that the National Archives prepare a comprehensive guide to the entire collection in time for the 1989 commemoration.

Consequently, the Legislative Archives Division of the National Archives, in cooperation with the Historical Office, has begun work on a publication intended to provide easy access to the 2,300 cubic feet of Senate records in its custody. The volume will include an introductory chapter with guidance on how to use printed and manuscript congressional documentary source materials. Record descriptions will give the date spans, volume, administrative history, and primary subjects documented therein. Special reference will be made to unusual collections within Senate committee records. The Guide is scheduled to be published as a Senate Document late in 1988.

Senate Foreign Relations Committee Historical Series

The Associate Historian has continued editing the previously closed and classified hearings of the Senate Foreign Relations Committee. Volume XIV, covering 1962, was published in April 1986. Volume XV, covering 1963, is currently undergoing final declassification and should be published before the end of 1986. All editorial work from Volume XVI, covering 1964, has been completed, and the material will begin the declassification process immediately after the previous volume has been published.

The research value of the series was attested to by the publication of Michael R. Beschloss' study of the U-2 affair, Mayday (New York: Harper and Row, 1986), a main selection of the Book-of-the-Month Club, which was also excerpted in U.S. News and World Report. The author cited Volume XII (1960) in the Foreign Relations Committee's series as a major source of the book's new information.

Oral History

From July 1985 to March 1986 the Associate Historian conducted 20 interviews with former Secretary of the Senate Francis R. Valeo, covering a wide range of domestic and foreign policy issues as well as an in-depth analysis of the workings of the Senate as an institution. The longest interview to date in the Senate Historical Office's oral history series with retired Senate staff members, the Valeo interview was transcribed into 924 pages of transcript, with a thorough index.

Scholarly Resources, Inc. has recently issued a new brochure for the microfiche edition of the 14 oral history transcripts currently open for research. The Senate's collection has also been listed in the National Union Catalog of Manuscript Collections, and in the Library of Congress Manuscript Division's union catalog of oral histories.

At the meeting of the Society of American Archivists in Chicago in August 1986, Processor C. David Tompkins, biographer of Senator Arthur Vandenberg, drew special attention to one of the oral histories. In a speech on using congressional records, Professor Tompkins said: "The best interview from my experience is that of Francis O. Wilcox, conducted by Donald Ritchie of the Senate Historical Office. A trained historian, Ritchie knew the materials, asked the right questions and follow-ups, and garnered valuable information. It remains a model of oral history."

Statements on the Senate's History

Since early 1980 the Majority Leader has delivered to the Senate more than 85 addresses on the Senate's history, procedure, and traditions. The Historical Office has undertaken extensive research in primary and secondary sources, at the direction of the Majority Leader, to provide material suitable for this unique series. Plans are currently underway to edit and publish these addresses as a Senate document in conjunction with the Senate's forthcoming bicentennial commemoration.

Bibliography of Works By and About Senators

The bibliography of works by and about former Senators continued to grow during 1986. Efforts to identify all such books, articles, and dissertations expanded to include bibliographies of published diaries and memoirs, compilations of recent articles published in the Journal of Southern History, and computer-generated searches of primary and secondary literature using key words such as "Senate" and "Senator." Designed to identify citations for the expanded Biographical Directory, the bibliography grew by approximately 350 entries in 1986 and currently contains over 2,250 citations. Scholars have expressed considerable eagerness for the Office to share the results of this project with them, and this year we have been able to make preliminary copies of bibliographies of individual Senators available to researchers.

Senate Election, Expulsion, and Censure Cases

In 1885, the Senate published a compilation of election cases involving disputes over Senate seats since 1789. In the century that followed, the volume was revised in 1903, 1913, 1940, 1962, and 1972. During the 1982 expulsion proceedings against Senator Harrison Williams, this publication provided the principal source of background information for Senators, their staffs, and reporters. Many users complained about the volume's difficult format, turgid style, and frequent inaccuracies. Some expressed frustration that cases were described without reference to their historical context. Most of the early cases were written in the style of the 1880s, making them difficult for the modern reader to follow. As the 1972 edition is out of print, the Historical Office agreed to research and rewrite each of the 164 cases in that volume and to add descriptions of post-1972 cases. That work is nearly completed. After review by the Senate committees on Ethics and Rules, the volume will be published during 1987.

Senate Committee Records Management and Disposition Assistance

The Senate Archivist provided records management seminars for committee staff, conducted record surveys, assisted with the identification and disposition of permanently valuable files, and designed appropriate filing systems for committee records.

All records transferred to the Senate's archives were appraised and described to the folder level, resulting in an overall improvement in their administrative usefulness and retrievability. Careful administration of records appraisal and transfers continues to improve the quality of historical documentation of the Senate. In addition, use of the Washington National

Records Center for storage of records of temporary value results in both space and storage cost savings.

Drafts of a new and comprehensive records management handbook for Senate committees are being circulated to appropriate offices for comment. The volume will be available early in 1987. A major portion of the book deals with the management and disposition of electronic records. In developing material for the chapter, the Archivist, working with staff of the Senate Computer Center and the vendors, prepared Senate committee document naming and filing conventions for each of the three approved office automation systems. These were introduced to committee systems managers and chief clerks through the user groups and a series of in-depth working seminars conducted by the Archivist. They will play a central role in facilitating electronic filing and retrieval of committee records. To accompany the guidelines, controlled subject filing vocabularies were developed for committees requesting them.

Senators' Office Records Management Assistance

Using the Records Management Handbook for United States Senators and Their Repositories (Senate Publication 99-4) as a basis for discussion, the Archivist conducted specially tailored seminars with staff from the offices of 17 Members. The handbook is widely used throughout Members' offices and is serving as a useful tool to improve records management and documentation of the history of Congress and its Members. Archivists in repositories around the country have found the handbook to be useful in understanding the functions performed by Members' offices and thus are better able to interpret the collections they receive.

Specially compiled office automation document naming and filing conventions have been prepared and circulated to Members' offices. They have been discussed at user group meetings and at individually tailored staff meetings.

Senate Photographic Collection

The past year has brought a significant increase of the Historical Office photo collection by film and television producers. To improve accessibility of the collection, the Photo Historian has devoted considerable attention to cataloging its extensive holdings of prints and negatives. Images of all but

200 former Senators have been acquired. The remainder will be obtained in 1987. The Photo Historian continues to record current events of potential historical significance and to assist other Senate offices as requested.

BICENTENNIAL PLANNING

In 1989 the Senate will observe its 200th anniversary. On April 11, 1986 the Senate adopted S. Res. 352 establishing the Commission on the Bicentennial of the United States Senate. The Commission's objective is to oversee the development of projects and activities of the type recommended in the 1982 final report of the Study Group on the Commemoration of the United States Senate Bicentenary. It will also coordinate Senate bicentennial activities with related organizations outside the Senate, including the Commission on the United States House of Representatives Bicentenary and the Commission on the Bicentennial of the United States Constitution. The Commission is staffed by the Senate Historical Office and the Office of Senator Curator, under the jurisdiction of the Secretary of the Senate, and with the assistance of the United States Senate Commission on Art and Antiquities. The Commission will convene a private sector task force to explore ideas and funding from private sources for appropriate commemorative projects. The Commission shall cease to exist at the end of the 101st Congress in January 1991.

The Commission has been closely involved with planning for two events directly related to the 1989 Senate bicentennial. The first involves a proposed legislative session of Congress in Philadelphia's Independence National Historical Park on July 16, 1987. This event would commemorate the 200th anniversary of the Constitution's "Great Compromise," which determined the basis of representation between the Senate and House. On October 16, 1986 the Senate agreed to S. Con. Res. 172, providing for such a session, which will mark the first time that Congress has ever met outside the seat of government.

The Commission has also reviewed recommendations for several publishing, research and film projects. Among these was a documentary film on the history of Congress, a program originally endorsed by the Senate's Bicentennial Study Commission in its 1983 report. The Commission has been cooperating extensively with Public Broadcasting Station WETA and an independent filmmaker to produce an hour-long film to be broadcast in the spring of 1989. It will also be available for wide distribution on video cassette.

SENATE LIBRARY

Fiscal year 1986 witnessed an increase over the previous year in most of the Library's activities, particularly those relating to user services: inquiries on the status of legislation increased 25 percent and reference inquiries 13 percent; there were 26 percent more patrons using the Senators' Reading Room; deliveries to Senate offices by Library aides increased 14 percent; and the number of photocopies made was up 16 percent.

The budget reductions in March 1985 required by the Gramm-Rudman-Hollings Act seem to have had only a negligible effect on services, except in the area of acquisitions where there were declines both in purchase orders for new books (-35%) and in the number of new books received (-29%).

One of the most significant projects of the year was the Library's participation in the Senate's evaluation of several legislative status databases. Other important developments included the formal establishment of the Cataloging Unit, the decision to request procurement of personal computers, the acquisition of a microfiche set of unprinted committee hearings heretofore available only in manuscript at the National Archives, and the reorganization of materials in the Library's off-site storage area in the Library of Congress.

INFORMATION SERVICES

LEGIS Service

The LEGIS staff answered almost 75,000 requests from Senate offices for information about the subject matter, sponsorship, and status of bills and public laws; other inquiries related to Senate action on treaties and nominations. While this total was a 25 percent increase over last year, it was also the least active second session since 1978, as can be seen in the table below.

We believe this fact can be attributed to the effects of the Sergeant at Arms' project on office automation which was discussed in last year's annual report. During FY 85, the number of computer terminals in Senate offices offering access to the LEGIS and SCORPIO information systems doubled to total about 4,400. The project has continued in FY 86 and we are advised by the Senate Computer Center that the number of terminals in use by the end of the fiscal year had increased to approximately 6,000. The availability of so many terminals, coupled with enhancements to the system that facilitate usage, suggests that Senate staff members are performing more of their own searches and relying on our LEGIS Unit to a lesser extent than in previous years.

Fiscal Year	Congress/ Session	Number of Inquiries	Percentage of Change From Previous Year	Percentage of Change From Same Session of Previous Congress
1977	95/1	38,893	+19%	--
1978	95/2	56,358	+45%	+73%
1979	96/1	46,635	-17%	+20%
1980	96/2	79,072	+70%	+40%
1981	97/1	61,643	-22%	+32%
1982	97/2	89,860	+46%	+14%
1983	98/1	77,352	-14%	+25%
1984	98/2	98,845	+28%	+10%
1985	99/1	59,605	-39%	-23%
1986	99/2	74,506	+25%	-25%

Reference Service

The reference librarians responded to more than 12,500 requests for legislative materials, background information on many topics, biographical information on nominees and others, computer searches for magazine and newspaper articles, quotations, polls, voting information and statistics. This total is an increase of 13 percent over the previous year and a decrease of 4 percent from the second session of the previous Congress. The table below illustrates that the volume of reference activity has remained essentially stable for the last seven years.

Fiscal Year	Congress/ Session	Number of Inquiries	Percentage of Change From Previous Year	Percentage of Change From Same Session of Previous Congress
1977	95/1	6,650	--	--
1978	95/2	7,845	+18%	--
1979	96/1	9,206	+17%	+38%
1980	96/2	12,644	+37%	+61%
1981	97/1	12,227	- 3%	+33%
1982	97/2	13,442	+10%	+ 6%
1983	98/1	12,102	-10%	- 1%
1984	98/2	13,172	+ 9%	- 2%
1985	99/1	11,129	-15.5%	- 8%
1986	99/2	12,589	+13%	- 4%

Collection Development and Maintenance

An important acquisition for the Library's microform collection was the set of unprinted congressional committee hearings marketed by the Congressional Information Service. CIS produced these hearings in microfiche from manuscripts available only in the National Archives, and compiled a printed index to the set; the set and index together are sold for $18,630. The Library received both at no cost as a quid pro quo for the assistance which Richard Baker and the staff of the Senate Historical Office rendered to CIS in the identification of thousands of the unprinted hearings at Archives.

BOOKBINDER/CONSERVATION SPECIALIST

Services to the Senate Library

This office has continued to work with the Library in two important areas of binding activity: quality standards and cost reduction.

In cooperation with the Joint Committee on Printing and the Library Binding Section of the Government Printing Office, we developed and implemented in FY 83 a program for GPO to meet the minimum standards of the Library Binding Institute (LBI) for all congressional binding. As a result, the quality of binding for the Senate Library and for Senate committees has improved, costs were reduced by 33 percent in FY 85 compared to FY 82 figures (figures for FY 86 are not yet available), and the GPO Library Binding Section received certification from LBI in FY 86. On the other hand, the Library Binding Section continues to be unable to meet our turnaround requirements.

In the area of binding costs, the Bookbinder and the Librarian met in March 1986 with members of the Joint Committee on Printing to discuss the Bookbinder's memorandum which compared actual GPO costs of binding to cost estimates for the same work performed by a commercial library binder. There was agreement that GPO's costs were disproportionately high, and the meeting concluded with the understanding that the Committee would study operations and charging procedures at GPO for special binding for Congress, as well as the possibility of permitting the Senate Library to contract some of its binding to a commercial firm on a trial basis.

In addition to these activities and to other routine services for the Library, this office worked on a revision and update of the Senate Library Disaster Preparedness Plan. This internal publication contains step-by-step procedures for salvaging the valuable collection of the Library in the event of fire, bombing or water damage. The next update of the Senate "Quick Reference Listing" will include a reference to the Plan under the entry for publications.

The office repaired and rebound the Library's set of The New York Times Index for the period 1931-1961. A comprehensive survey of the conservation needs of the Library's collection has been undertaken in order to determine restoration and rebinding priorities and to enable us to schedule the work efficiently.

It is expected that the Library of Congress Conservation Office will have their mass deacidification chamber online by 1989. This facility will employ di-methyl zinc as the deacidifying agent, which will considerably extend the life of bound volumes and documents. In the long term, the Senate Library will be able to take advantage of the system, not only for current acquisitions but eventually for their collection as a whole.

Services to the Senate Curator's Office

This office assisted the Curator in the preparation of two exhibits which were displayed in the crypt area of the Capitol and of three exhibits which are currently on display in and near the Old Supreme Court Chamber.

Other projects included the mounting and framing of motion picture advertising posters used to support the Commission on Art and Antiquities's program, "The Senate Goes to the Movies;" the repair, matting and framing of a substantial number of graphic materials displayed throughout the Senate; and, the cleaning and oiling of leather-bound volumes in the Old Supreme Court Chambers.

Services to the Senate Historical Office

The office continues to assist the Historian in monitoring the program to preserve Senate records at the National Archives; at the request of the Secretary of the Senate, a brief report was completed in July 1986 providing details of the program and expenditures to date.

We have been engaged in the restoration of a 41-volume set of the Annals of Congress for the period 1789-1824; the Annals are a predecessor of the Congressional Record.

Three sets of oral history interviews were bound--those of Grover W. Ensley, Donald J. Detwiler and William F. Hildenbrand. We are currently preparing the Francis R. Valeo interviews for binding.

We continue to assist the Photo Historian in the preservation of the Senate's photographic collection.

OFFICE OF PUBLIC RECORDS

The Office of Public Records receives, processes, and maintains records, reports, and other documents filed with the Secretary of the Senate involving the Federal Election Campaign Act, as amended; the Federal Regulation of Lobbying Act; the Senate Code of Official Conduct: Rule 34, Public Financial Disclosure; Rule 40, Registration of Mass Mailing; Rule 41, Political Fund Designees; and Rule 41(6), Supervisors' Reports on Individuals Performing Senate Senate Services; and Foreign Travel Reports.

The office provides for the inspection, review, and reproduction of these documents. From November 1985 through October 1986, the office served approximately 2,200 individuals and sold 262,816 photocopies of documents.

In November 1985, the Office of Public Records expanded its operation by increasing the number of hours that the office is open to the public and Senate staff for research (8:00 a.m. to 6:00 p.m.) and extending office hours until 9:00 p.m. on filing dates for the purpose of accepting filings. The office works closely with the Federal Election Commission and the Select Committee on Ethics in providing assistance regarding the filing requirements of the aforementioned Act and Senate rules.

Federal Election Campaign Act, as Amended

For Senate candidates who ran for election in 1986, quarterly, pre-election and post-general election reports were required to be filed under the Act. Senate candidates running for office in a year other than 1986 were required to file semiannual reports. These filings totaled 12,179 documents containing 183,040 pages.

Federal Regulation of Lobbying Act

Of the 22,040 lobbyists registered under the Act, 9,812 lobbyists are currently active and reporting to the office on a quarterly basis. From November 1985 through October 1986, 49,697 reports totaling 99,394 pages were filed, processed and made available to the public.

Public Financial Disclosure

The filing date for Public Financial Disclosure Reports was May 15, 1986. The reports were available to the public and press by Monday, May 19th. Copies were provided to the Select Committee on Ethics and the appropriate State officials on the same day. A total of 1,095 reports were filed containing 14,657 pages. There were 374 requests to review or receive copies of the documents.

Registration of Mass Mailing

Of the 95 Senators who were required to register mass mailings under Senate Rule 40, the number of pages filed totaled 9,764.

SPECIAL DEPUTY, FEDERAL ELECTION COMMISSION

The Secretary, as Ex-Officio Commissioner of the Federal Election Commission is represented through the Special Deputy in all Federal Election Commission activities.

Meetings

The Commission conducts most of its activities through regularly scheduled meetings, both in executive and open sessions. Executive sessions mainly focus on resolving compliance, audits, and the internal workings of the Commission such as personnel matters. In 1986, 43 executive sessions were held.

Other matters such as requests for advisory opinions are considered in open session. There were 31 open sessions in 1986. No special sessions were held in 1986.

Congressional Oversight

The Commission made five formal appearances before various committees of the Congress in 1986. These included the Committee on House Administration, the House and Senate Appropriations Subcommittee on Treasury, and the Senate Committee on Rules and Administration.

SENATE STATIONERY ROOM

As purchasing agent for the United States Senate's stationery supplies, the Stationery Room must maintain an adequate inventory at all times to meet the demands of Senatorial offices. These specific responsibilities include (1) preparing the annual Schedule of Stationery containing those items contracted for in a fiscal year for the use of the Senate; (2) referral of requests for items not presently carried in stock to the Assistant Secretary and the Rules Committee, which will act on the request; (3) purchasing through GSA whenever an item if offered by GSA is of a quality that will satisfy the needs of the Senate; and (4) purchasing directly or through the Schedule of Stationery, items offered by GSA that do not meet the quality requirements of the Senate, but are nonetheless requested by Senate offices.

The Senate Stationery Room completed fiscal year 1986 with gross sales of $3,073,242.00, an increase of $248,868.00 over fiscal year 1985. Total combined cash and charge tickets issued during the year amounted to 85,568.

There were 1,506 vendor vouchers processed and the Stationery Room issued 1,463 purchase orders for stock, and 3,703 for special order items. Total combined purchases for stock and special order merchandise amounted to $2,958,546.00, an increase of $50,621.00 over fiscal year 1985.

Inventory Items

Items added to the inventory this year include two new books: the Washington Monitor's Congressional Yellow Book and Paul Hogarth's Walking Tour of Old Washington and Alexandria. Also added were several new paperweights, a new selection of picture frames, and photo albums.

OFFICE OF CLASSIFIED NATIONAL SECURITY INFORMATION (OCNSI)

This office is under the policy direction of the Majority and Minority Leaders and the Chairman of the Committee on Rules and Administration. It is under the administrative direction and supervision of the Secretary of the Senate.

The office has authority to:

(1) upon the application of any Senate committee, perform the administrative functions necessary to classify and declassify information relating to the national security considerations of nuclear technology in accordance with guidelines developed for restricted data by the responsible executive agencies;

(2) provide appropriate facilities for hearings of committees of the Senate at which restricted data or other classified information is to be presented or discussed; and

(3) establish and operate a central repository in the United States Capitol for the safeguarding of restricted data and other classified information.

The office also provides a secure facility for hearings of committees of the Senate at which highly classified information is to be presented. In this connection, during fiscal year 1986, there were a total of 126 classified hearings and meetings (33 hearings and 93 meetings) held in the secure hearing facility. The Senate Committee on Appropriations, Armed Services, Foreign Relations, Intelligence, Judiciary, Veterans Affairs, and the Office of Technology Assessment utilized this facility. The Arms Control Observer Group co-chaired by Senators Stevens, Nunn, Lugar and Pell utilized the facility for briefings and meetings in connection with the US/USSR arms control negotiations.

INTERPARLIAMENTARY SERVICES (IPS)

The Office of Interparliamentary Services completed its fifth year of operation at the end of last year.

The size of the staff remains at four. This number is augmented when necessary with personnel from the Office of the Secretary who are temporarily assigned to specific trips or projects.

After five years, the IPS office is an established entity within the structure of the Secretary's Office. Their resources are widely used for individual and staff travel, as well as for congressional delegations.

One of the most important functions continues to be the timely publication of quarterly reports of foreign travel in the Congressional Record. Staff work with all authorizing sources to ensure the reports are correct and filed within the required time frame.

The "institutional memory" aspect of the office has become important to Senators and their staffs. Office files from various trips are accurate and up to date and those traveling with IPS have come to depend upon the system. For example, staff prepare a schedule of the delegation's events and appointments after returning to Washington. This is an actual, rather than tentative, schedule and reflects last minute revisions to the working schedule. Also, records are kept of what gifts are presented to foreign officials and copies of letters of appreciation are made available to each Senator traveling with the delegation.

DOCUMENT ROOM

Sale of Congressional Documents

Effective June 2, 1986, a new procedure was instituted at the Document Rooms of the Senate and House of Representatives. On this date, public distribution of both House and Senate material was handled exclusively through the Senate Document Room.

Through this procedure, the public is now entitled to receive free of charge one copy of any bill, report, resolution, public law or other document normally distributed by the Document Room. The public is permitted to obtain six free items per day of varying subjects. In addition, copies surpassing this limitation may be purchased for a minimal charge (two cents per page) at the Senate Document Room.

Since the Document Rooms have not previously furnished copies of committee prints and hearings, a special sales outlet for these items has been established and is located in the lobby across from the main Government Printing Office Bookstore, and is designated as the Congressional Sales Office.

These new procedures were instituted in response to the sequestrations mandated by the Gramm-Rudman-Hollings Deficit Reduction Act. This system is designed to provide continuing free access of information to the public while reducing the cost of congressional printing.

Since the effective date of this policy, this office has served a total of 3,343 paying public customers with a distribution of 23,490 items resulting in sales amounting to $48,593.29.

It should be noted that since the beginning of the sales policy, the volume of mail, phone contacts, and incoming customers has increased significantly. As the public becomes more aware of this service offered by the Senate Document Room, it is reasonable to assume the volume of business will continue to increase for a period of time. The present staff has incorporated this additional workload into its daily routine very effectively.

Under the present policy, the House Document Room no longer serves the general public, although House documents are supplied to fulfill the many pubic requests. It is suggested that as the sales program is a continuing one, a review should be undertaken concerning the distribution of the total number of documents supplied to both the House and Senate Document Rooms.

LEGISLATIVE DEPARTMENTS

LEGISLATIVE CLERK

The yearly activities of the Legislative Clerk's office have continued to operate in a smooth and stable manner. There have been few significant changes in the operational duties during 1986. The legislative workload (ending October 18, 1986) for the year has remained much the same, except that roll call votes and the total measures passed have substantially increased over the same period of the second session of the 98th Congress. Representative statistics relating to various functions performed by the Legislative Clerk's office are as follows:

	98th Congress		99th Congress	
	1983 1st Sess.	1984 2nd Sess.	1985 1st Sess.	1986 2nd Sess.
Total Measures Passed	339	529	412	747
Total Measures Reported	435	557	370	546
Quorum Calls	15	17	19	16
Rollcall Votes	278	257	270	359

The computerized version of the Calendar of Business is still maintained within the Senate's LEGIS system. More LEGIS users are beginning to utilize this system, but the printed Calendar still remains a popular and important tool. A new program "Measures Held at Desk" was added to the computerized system. This category was at one time in the Calendar, but was removed during 1985.

The Senate Bill Clerk continues to work part time as a backup Legislative Clerk and is fully trained at this position.

PARLIAMENTARIAN

The Parliamentarian's office continues its primary responsibilities of advising the Chair, referring all introduced Senate bills and resolutions, as well as House bills and resolutions which have been messaged to the Senate.

Moreover, the precedents of the Senate continue to be entered in the computer file.

During the past year, the office was involved in the following significant events:

It is in the process of preparing a replacement for the volume Senate Procedure which will contain those precedents which have occurred since June 1980 and thus will cover the important area of the Congressional Budget process as it has grown since 1980.

The office has assumed a new role in a new feature in the Senate; namely, the computerized Legislative Calendar. The Parliamentarian's office now prepares for the computerized Calendar all unanimous consent agreements and is responsible for entering and continually updating them.

The office now has the capacity of producing, through the use of a word processing machine, bills, joint, concurrent and simple resolutions and amendments in a format similar to that of the Office of Legislative Counsel, primarily for the convenience of the Senate leadership.

BILL CLERK

The Bill Clerk's office operated smoothly and effectively during the past year.

The Government Printing Office has responded to each request concerning priority printing in an efficient and courteous manner. This was especially evident later in the year when their workload was enormous, and when we were sending large pieces of legislation which GPO were required to print along with often massive editions of the Congressional Record.

Arrangements were also made with GPO to again print and bind the ledger containing basic historical data on bills and resolutions. By agreeing to GPO suggestions to print in one ink instead of three, processing index pages by computer rather than hand numbering, and printing several volumes of the book rather than printing one Congress at a time, we were able to cut costs dramatically.

The Bill Clerk's Office processed (i.e., entered into the books and the computer, and shipped to GPO for printing) the following:

	Total 99th Congress	99th Congress 2nd Session
Senate Bills	2,954	954
Senate Resolutions	519	225
Senate Joint Resolutions	432	117
Senate Concurrent Resolutions	175	72
House Bills	502	290
House Joint Resolutions	150	79
House Concurrent Resolutions	86	49
Amendments	3,517	2,802
	8,335	3,928

JOURNAL CLERK

The operations related to the compilation of the Senate Journal in 1986 were carried out with time-tested procedures which have proved effective in recent years.

Floor actions, routine morning business, and messages from the House of Representatives were entered in the three respective sections of the minute book at the rostrum. These pages were photocopied during the day for use in typing the manuscript of the Journal.

The distribution of work has continued as in previous years, with both Clerks sharing the typing of the manuscript, the Assistant Clerk entering executive communications into the LEGIS computer, and the Journal Clerk editing the manuscripts and processing the subsequent galleys and page proofs before final printing.

The useful exchange of information between the Journal and certain other departments has been maintained by means of the telephone tie lines from the rostrum.

A considerable amount of time was expended on the preparation of various statistics at the request of several Members.

ENROLLING CLERK

The Enrolling Clerk prepares for printing all Senate-passed legislation and proofreads it prior to its transmittal to the House of Representatives or the White House.

All engrossed bills, enrolled bills, and resolutions were prepared, printed, corrected, and transmitted to the House of Representatives and/or the White House within the time constraints dictated by the Congress and the legislation itself.

During 1986, 117 enrolled bills were prepared, printed, proofread, and corrected and transmitted to the President. Also, 747 other pieces of legislation, in one form or another, were enacted by the Senate; each one of these required some effort from the office. Most had to have copy preparation for the Government Printing Office, be printed and proofread, and transmitted to the House of Representatives. One hundred and thirty-five pieces of legislation had to be assembled by the office and "hand engrossed," which entails typing and piecing together a true and accurate copy by hand immediately upon passage by the Senate so that it can be transmitted to the House of Representatives immediately.

In 1986 approximately 10,000 to 12,000 entries to the Senate Journal index were compiled, checked and corrected, entered into a computer and printed in the Journal at the end of the Congress.

EXECUTIVE CLERK

No major changes in procedures or applications were made during the second session of the 99th Congress. Somewhat fewer nominations were transmitted to the Senate during the past session than in the past several years. Treaty activity showed an increase in comparison with the first session.

Nominations

During the second session of the 99th Congress, there were a total of 635 nominating messages received comprising 36,294 individual nominations to positions requiring Senate confirmation. Of this total, 420 were for civilian positions other than military nominations and lists in the Foreign Service, Coast Guard, National Oceanic and Atmospheric Administration and Public Heath Service.

DAILY DIGEST

During the 2nd session of the 99th Congress, the Senate was in session a total of 143 days, for a total of 1,278 hours and 15 minutes. There have been 16 quorum calls and 359 yea and nay votes. Senate committees have held 812 hearings and 355 business meetings, for a total of 1,167, contrasted with 1,162 hearings and 280 business meetings (total 1,442) during the 1st session of the 99th Congress.

Statistics

The Digest compiles statistics relating to both committee and Chamber activity. Last year the office undertook a further review of their procedures of compiling statistical information, with a view toward streamlining and possibly including additional information. Many changes have been made in the statistical formatting and we will continue to refine this year.

The Digest is called upon from time to time to furnish various statistical data to the offices of the leadership as well various other Senate offices and other government agencies. We are in the process of entering a ten-year history of Senate statistical data in the computer files and hope to have this finalized during the next several months. One of the massive problems we have had in the past was the research and verification of all of the data and we have been working with other Senate offices in the audit of our data files and have turned up problem areas. Most of these are near solution now and we feel that we can finalize this project soon.

OFFICE OF PRINTING SERVICES

In 1986, the Senate printed only five Senate Publications, 22 Senate Documents, 83 Committee Prints, and 625 hearings. Compared to 1985, all categories decreased with the exception of hearings. However, due to guidelines established by the Committee on Rules and Administration and the Joint Committee on Printing, the number of copies of these publications was held to a maximum of 300, compared to a maximum of 1,000 copies through 1985. Therefore, total printing costs have most probably decreased during 1986 (figures for 1986 will not be available from GPO until 1987).

In response to requests made by this office on behalf of many Senate committees for improved turnaround, GPO jobbed out more of its composition work during 1986 than they had in the past. Due to the pricing structure of the composition contracts let by GPO, costs for this work were held constant while turnaround to the committees was improved.

This office is in the process of discussing the benefits of a composition pilot project with the Senate Rules Committee and the Joint Committee on Printing. The objective of the project would be to lower the cost to committees for the composition of hearings, committee prints, etc., from approximately $50 per page to approximately 30 cents per page. This would be accomplished by employing technology recommended by GPO and the Senate Computer Center. This office would serve as a "service center" to Senate committees, thereby assuring continued compliance with Title 44 while also assuring greatly lowered printing costs and turnaround time.

OFFICIAL REPORTERS OF DEBATES

The Official Reporters of Debates continue to report all sessions of the Senate from gavel to gavel. The transcript is ready for review by Senators and aides 45 to 60 minutes after a Senator has spoken in the Chamber.

The Senate was in session during the second session of the 99th Congress for 1,278 hours covering 143 days. Staff averaged 350 to 400 hours in extra hours.

In addition to reporting Senate Chamber proceedings, the Official Reporters report all Democratic Conferences and some Republican Conferences. In 1986, we reported 42 such conferences, each lasting approximately 90 minutes. These transcripts are prepared and delivered within 3 to 4 hours after the conclusion of the conference.

Routine Morning Business

During the past two years, the office has made a diligent effort to cross reference lengthy amendments where they are called up on the floor and also printed in routine morning business under "Amendments Submitted." Rather than print the text of lengthy amendment in the Record two times, reference is made at the point where the amendment is called up that the full text will appear later in the Record under "Amendments Submitted." This procedure has proven to be very helpful in both saving of pages printed and the cost of the Report.

SENATE DISBURSING OFFICE

In response to the Office of Personnel Management's budget cutting measures, in particular, the dissolution of the Special Inquiries Retirement Processing Section and the reduction of services to annuitants, the Employee Benefits Section had to almost triple its time spent providing OPM with assistance with adjudication of cases and assisting U. S. Senate retirees with adequate post-retirement services.

The retirement caseload for the year (May and June in particular), has again exceeded the prior year's total by more than 30 percent. This rise is attributable to the change in the tax laws regarding annuities, effective July

1, 1986, and another rise is anticipated at the end of this year due to the change of the majority in the Senate.

Since 1983, four new retirement systems have been added for U. S. Senate employees: Social Security, Offset-Civil Service Retirement System, Federal Employees Retirement System (FERS), and the Thrift Savings Fund. Three of these systems (all but Social Security) were combined in the Temporary Federal Employees Retirement System, and were separated only this year. This has required many hours of legislative analysis and training for staff, as well as employee education and notification, and in-depth counseling.

In addition to the three new retirement systems, the original Civil Service Retirement System has had important legislative changes this year; also, as has been the case for the past five years, both the Federal Employees' Health Benefits and Federal Employees' Group Life Insurance systems have had numerous regulatory changes.

All of the above changes have necessitated intensive work, including meetings, hands on testing, and hand verification, to incorporate these changes in not only the current payroll/personnel system, but in the soon to be in production I.S.I. payroll/personnel system.

Many hours of meetings with the Congressional Research Service and the House of Representatives retirement staff have been spent to analyze the new FERS and Thrift Plan, direct efforts to educate staffs, prepare computer comparison models, compile employees' and retirement counselors' handbooks and many other smaller necessities.

The Federal Employees Health Benefits Program expanded this year by over 57 percent from 228 plans to 394 plans. At least casual familiarity is required with each plan, so many hours were expended on this change, as well as the shift this year from the agency wide plans which have been most popular for years, to the HMO plans, which necessitated further training. The BACE (Beneficial Association of Capitol Employees) health benefits plan gained real interest in this, its second year and it spurred intense interest and many more personal counseling sessions were requested by Senate employees than during average Open Seasons.

Due to the lowest interest rates in many years, the Verification of Employment forms, which the Employee Benefits Section must complete for new and refinanced mortgages for all employees, active and terminated, rose from an average of about 15 per week to over 10 per day.

The Diners Club Credit Card Program was instituted in May this year, and the Disbursing Office handled the planning and installation of many procedures as prescribed by the Committee on Rules and Administration. Daily processing of applications, authorizations, terminations, and reports have significantly increased the workload of the office.

OFFICE OF THE SECRETARY

SALARIES, OFFICE OF THE SECRETARY	FISCAL YEAR 1987	FISCAL YEAR 1988	INCREASE/DECREASE
Fiscal Year 1987 Obligations	$6,986,714		
1987 Increased Pay Cost at 3% (for 9 months)	157,000 *		
Supplemental Increase Requested	120,000		
Total Obligations for Fiscal Year 1987	$7,263,714		
Fiscal Year 1988 Request		$7,627,000 *	$ 363,000 *
Financing:			
Less: Unobligated balance, start of period	-0-	-0-	-0-
Appropriation	$7,263,714 *	$7,627,000 *	$+363,000 *

EXPENSES, OFFICE OF THE SECRETARY	1987 Appropriation	1988 Budget Request	Increase/ Decrease
Historical Office:			
Books and Documents	$ 1,914	$ 1,914	-0-
Photographic Supplies	6,221	6,221	-0-
Library:			
Online Information Services	50,400	50,400	-0-
Microform Publications	19,140	19,140	-0-
Books	9,000	9,000	-0-
Subscriptions	14,000	14,000	-0-
Standing Orders	10,624	10,624	-0-
Office of Classified National Security Information: Maintenance contract for alarm system	3,828	3,828	-0-
Travel (Public Law 94-59)	11,484	11,484	-0-
Registration Fees	1,914	1,914	-0-
Substitute Reporters and Transcribers (Public Law 89-90)	19,140	19,140	-0-
Office of Public Records (Public Law 92-342)	23,925	23,925	-0-
Consultants (not more than two) (Public Law 95-26)	44,501	44,501	-0-
Legal Reference Volumes and Dictionaries (Senators' Offices) (Public Law 92-51)	62,205	62,205	-0-
Contractual Legal and Administrative Services and Miscellaneous Expenses	57,889	57,889	-0-
Disbursing Office: Payroll Forms, Notary Fees and Supplies, Insurance	29,000	29,000	-0-
Orientation and Training (Public Law 95-94)	1,914	1,914	-0-
Newspapers	28,710	28,710	-0-
Senate Service Awards (Senate Resolution 21, Sept. 10, 1965)	17,226	17,226	-0-
Postage	6,699	6,699	-0-
Education of Senate Pages (Public Law 98-51, as amended and S. Res. 184, July 29, 1983 and P.L. 98-125)	196,400	196,400	-0-
Stationery	28,155	28,155	-0-
Commission on Art and Antiquities (S. Res. 382, 90th Congress)	22,011	22,011	-0-
Total Obligations	$ 666,300	$ 666,300	-0-
Financing:			
Less: Unobligated balance, start of period	-0-	-0-	-0-
Appropriation	$ 666,300	$ 666,300	-0-

SUMMARY OF APPROPRIATIONS REQUESTED			
Salaries (salaries, officers, and employees)	$7,263,714	$7,627,000	$+ 363,000
Expenses	666,300	666,300	+ -0-
Total Obligations	$7,930,014	$8,293,300	$+ 363,000
Total Financing			
Less Unobligated balance, start of period	-0-	-0-	-0-
TOTAL APPROPRIATION	$7,930,014	$8,293,300	$+ 363,000

*Rounded

Statement of Stuart F. Balderson, Financial Clerk of the Senate

Mr. Chairman, I appreciate this opportunity to appear before your Committee today to testify regarding the Budget for the United States Senate for Fiscal Year 1988.

Mr. Chairman, the budget estimates, as submitted, and which are included in the Budget of the United States Government, Fiscal Year 1988, have been developed in accordance with requests and proposals submitted by the various offices and functions of the Senate. The budget estimates for the United States Senate for Fiscal Year 1988, which include all budget amendments submitted to the Director of the Office of Management and Budget, and as presented today, totals $341,865,300., or 4.38% over the Fiscal Year 1987 total of $327,524,014., including proposed supplementals for increased pay costs and various program requests. I am therefore considering the supplemental requests as being enacted only for my presentation to your Committee today. The budget estimates for Fiscal Year 1988 are divided into two major categories as follows:

1. Senate Items: $336,376,300.
2. Joint Items of the Senate: $5,489,000.

The individual account analyses has been included in the budget book previously provided to the your Committee.

Specifically, Mr. Chairman, the Fiscal Year 1987 supplemental requests of $15,331,000., are comprised of three items: first $5,443,000., for increased pay costs effective January 1, 1987; second $520,000., for program supplementals comprised of $120,000., for Salaries, Officers and Employees, for the Office of the Secretary of the Senate; and $400,000., for Miscellaneous Items to fund the Commission on Central American Negotiations under the authority of Public Laws 99-500 and 99-591; and Third, with the greatest impact on both the Fiscal Year 1987 and 1988 budgets, $9,368,000. for agency contributions for the period January 1, 1987 through September 30, 1987 for the new Federal Employees Retirement System, as authorized by Public Law 99-335. The full cost of this retirement system is to be the responsibility of all government agencies and is to be funded "up front" by these agencies. This differs from the original Civil Service Retirement System in that some of the cost of this system is paid for through employee deductions and matching agency

contributions, with the balance of the cost of the system being funded as the benefits are being paid to annuitants or their beneficiaries by funds provided by the Treasury and not as a direct cost to the agencies. The cost to the Senate will be increasing every year as current employees who retire or terminate under the original Civil Service Retirement System will be replaced with employees who are required to participate in the new Federal Employees Retirement System. The Senate will contribute agency contributions for retirement only at the present rate of 22%, with additional cost if the employee elects to participate in the Thrift Savings Plan; unlike the original retirement system where participation was voluntary with agency contributions of 7.5%.

Mr. Chairman, I submit for the consideration of your Committee the Budget for the United States Senate for Fiscal Year 1988.

Senator BUMPERS. As far as I am concerned, you are all doing a great job, and I commend you for it. I appreciate the summarization of your testimony.

Let me ask you, Mr. Stewart, three or four questions here, and perhaps also submit some for the record.

SEVERANCE PAY

Under Senate Resolution 33, we authorized severance pay for qualifying former Senate employees. What is your estimate of what that is going to cost, and will there be a supplemental request later to fund that?

Mr. STEWART. Senator, right now, as of this date, it would be approximately $1 million. We anticipate that by the time we get all the requests from the Members, it is going to be close to $1.5 million. We think it may be possible to accomplish that without a program supplemental by reprogramming unexpended and unobligated funds which would expire at the end of this fiscal year available to the Senate. This could only be accomplished if all the fiscal year 1987 supplemental requests now pending are authorized.

Senator BUMPERS. It will be a happy coincidence if that happens.

REORGANIZATION OF OFFICE OF CLASSIFIED NATIONAL SECURITY INFORMATION

You note that a $120,000 supplemental has been requested to pay additional salaries in connection with the reorganization of the Office of Classified National Security Information. Could you tell us a little bit more about those plans?

Mr. STEWART. Yes, sir. When I came in there was an estimate pending to renovate this Office, and the estimates I had before me were between $400,000 and $2 million. Anyone providing estimates with that much variance hasn't looked into the specifics very thoroughly.

We have revisited this problem. We asked the agencies to come back and look very carefully. We now think the work can be accomplished for well under $100,000. There is no need to goldplate this Office. It will simply do exactly what is required for the Members, and provide adequate security protection.

In addition, we will be keeping track of sensitive information, the staffs of the Members and of the committees who have security clearances. We will have a record of expirations and who issued them.

We will let them know that the security clearances of staff, for instance, are going to expire in 90 days, so that there will be adequate time to renew them. There will also be an effort to determine when and at what level security clearances are needed. We don't have such an office at this time.

Senator Bumpers. You requested $157,000 for increased pay costs in departments under your Office, and $120,000 is identified as a program supplement. Is that all for salaries?

Mr. Stewart. The $120,000 is all for salaries. In addition, there may be a need for tempested equipment for that Office. We are looking at that closely to see if we can make other arrangements. The Iran Committee is going to need similar equipment which may be available in a relatively short time. If we can wait and take that equipment after the committee finishes its work, we will save a substantial sum of money.

Senator Bumpers. It is expensive, I signed off on it a couple of months ago, after asking a few questions on why it was so expensive.

DINER'S CLUB CARD FOR MEMBERS AND STAFF

I understand that senior Senate staff can now get a Diner's Club card for use on official business. Who qualifies for that, how does it work, and who thought it up?

Mr. Stewart. Senator, the Senate Rules Committee notified all the Members by letter that it had approved the use of Citicorp Diner's Club cards. Basically, it is available to what they call frequent travelers in the Senate, and these are the people who take a lot of trips. It is for Members and staff who are going to have a need for it. We presently have about 100 staff members, and approximately 19 Senators who have these.

The basic advantage to the Senate is that we pay no fees. It is a way in which the Members and staff can charge official travel expenses. It also makes them eligible for discounted air fares and free travel insurance.

Senator Bumpers. Who on my staff would qualify for a Diner's Club card?

Mr. Stewart. Anyone whom you want to designate as a frequent traveler would be eligible.

Senator Bumpers. Is this going to be just a Senate card for the expense of staff members. Would it have the staff member's name on it?

Mr. Stewart. It has the staff member's name on it. Basically, when we sign off at the Disbursing Office, they are not delayed for 8 weeks by doing a credit check on the individual. It is issued immediately.

Senator BUMPERS. What if he does, like President Reagan did with his credit cards, and goes crazy?

Mr. STEWART. That is another advantage to the Senate; we don't have any liability to pay it. The official travel expenses are paid through vouchers by the Disbursing Office, but the Diner's Club bills go directly to the user of the card.

Senator BUMPERS. We don't have any liability?

Mr. STEWART. No, sir.

Senator BUMPERS. It is hard to beat that deal. Can I get one?

Mr. STEWART. Yes, sir.

Senator BUMPERS. What is the status of the Senate payroll and personnel system, and when will it be in place?

PAYROLL AND PERSONNEL SYSTEM

Mr. STEWART. Originally, Senator, we had thought that that would be in place by the spring of 1987. With the new retirement system, which they are having to put together, it looks like it will be in place around the summer of 1987.

COMMEMORATION OF SENATE BICENTENNIAL

Senator BUMPERS. Are there any plans being developed for the Senate's 200th anniversary in 1989.

Mr. STEWART. Yes, sir; this is the bicentennial. As you know, the Senate passed a bicentennial resolution last year, and a similar resolution will be needed this year. I understand that there may also be a resolution authorizing the Senate and the House to participate in Philadelphia festivities in July of this year.

In addition, there are a substantial number of projects that are recommended by the Commission to commemorate the 200th anniversary of the Senate. There will be exhibits at the National Portrait Museum. There will be a history of the Senate published, and there will be a biographical directory of former Senators. There will be a number of activities which will occur to commemorate the bicentennial of the Senate.

SALE OF DOCUMENTS

Senator BUMPERS. Joe, you have collected $48,000 under the new charge for documents above the allowed free documents. What is happening to that money and where is it being deposited?

Mr. STEWART. That goes to the Government Printing Office. We are looking at this very carefully now. We were directed to do this as part of Gramm-Rudman.

Senator BUMPERS. I understand; I remember that.

Mr. STEWART. In looking at it, I am not sure that we are not just exchanging dollars, and not making a profit or even paying our way. We have people come into the Document Room who may want as many as 50 or 100 copies, and we have to stock those copies, even though we have a limited amount of storage space. I am looking at possibly going back to limiting people to a limited number of free copies. If they want larger amounts, they will have to go to GPO. With the personnel involved, I am not sure that there is any savings in selling documents.

Senator BUMPERS. Aren't you asking for additional personnel under your budget to accommodate that function?

Mr. STEWART. No; I am not. What I am telling you is that if I find that it is not a productive use of personnel, I will be notifying you that we think that we are better off not to continue this program; that we let the documents be sold by GPO, and we would limit the people who come to the Hart Office Building to three or four free copies.

Senator BUMPERS. Have you collected this $48,000 since the first of the year, or since October 1?

Mr. STEWART. Since June. As a matter of fact, I think that the amount is now a total of $68,399 through February 1987.

TRAVEL COSTS FOR CENTENNIAL

Senator BUMPERS. When we announced that the House and the Senate would go to Philadelphia to commemorate the 200th Birthday of the Constitution, how is that being paid for?

Mr. STEWART. The Senate would pay for it. We will pay our own way. We are developing some cost estimates now, and I think that they are going to be somewhere in the range of probably a quarter of a million dollars upward for total expenses.

What we are proposing to do is to pay for it as a contingent expense of the Senate. But before we would embark on any substantial expenditures, we would notify this committee and the Rules Committee of what the expenditures were.

Senator BUMPERS. Mr. Balderson, let me just say one thing about your Office. I really appreciate all of the information that you have been giving us about the pay increase, the new retirement plan, and everything. That kind of information does help a lot because it is something that Senators talk about in the cloakroom, and they don't know about. So I appreciate the work that you are doing.

Senator Grassley, I started this hearing, something that I would not want to do without the ranking here, on the advice of your staff, and I hope that your staff had your permission.

Senator GRASSLEY. It was perfectly legitimate.

At this point, I don't have any questions. I would simply say, as a member of the minority for the first time in 6 years, I find working with the new Secretary a very pleasant experience. I have had a lot of questions answered, but most importantly I like the air of cooperation that he has exhibited in that period, and I guess we have found that substantiated by his openness here at this hearing.

Even though I don't have any questions right now, before our budget does get to the floor, I assume that I will probably visit with you privately on some things because, quite frankly, this is a new experience to be on the Appropriations Committee and on this subcommittee, so I am going to feel my way along. I will get with you when I have some questions to ask.

Senator **Bumpers**. Thank you, Senator Grassley.

Senator Hatfield.

Senator **Hatfield**. I have no questions, Mr. Chairman.

Senator **Bumpers**. Thank you very much, gentlemen, for being here.

SUBMITTED QUESTIONS

[The following questions were not asked at the hearing but were submitted to the Office of the Secretary for response for the record:]

QUESTIONS SUBMITTED BY SENATOR BUMPERS

Question: During fiscal year 1986 the Senate Library participated in the evaluation of several legislative databases. Could you give some details of this evaluation? What systems were evaluated and what were your conclusions?

Answer: During the months of July-September 1986, Senate Library staff members compared five legislative status tracking systems: Legi-Slate, Congressional Quarterly's Washington Alert Service, Senate LEGIS, House LEGIS, and the Library of Congress' SCORPIO legislative files. The comparison was performed primarily on the points of completeness and accuracy of content, searching capabilities, printing, reliability, ease of use, and available support.

The Library staff concluded that all five legislative status files have their advantages and disadvantages when compared to each other. They found that the most authoritative and complete systems for tracking legislation are Senate LEGIS, House LEGIS, and, to a lesser extent, SCORPIO. They found that neither Legi-Slate nor CQ Washington Alert Service provided an adequate and timely substitute for the legislative content of Senate LEGIS or the other Capitol Hill systems.

The Library staff found that the most notable difficulty with Legi-Slate was its use of controlled vocabulary terms which limited the flexibility of a subject search. This difficulty was compounded by the need to consult the printed manual for lists of these terms and of the major legislative milestones. In addition, they found it very difficult to get legislative status quickly unless they were searching by bill number. The staff concluded that the most notable difficulty with CQ Washington Alert Service was the file structure which forced the user to go to several submenus to gather the complete legislative history of a single measure. This problem was compounded by the fact that it was impossible to tell from the "quick reference guide" the content of any one submenu and where the user should search for the needed information.

The Senate Library's full analysis is contained in a report from the Secretary of the Senate to the Chairman of the Committee on Rules and Administration, dated September 22, 1986. This report will be provided to this committee if requested.

Question: In the Senate Library, what systems are automated? What information is accessible through online databases, and what are your plans for the future in this area?

Answer: The Senate Library has access to numerous databases which they search in response to requests from Senate offices. Following is a list which is separated into two categories: (1) commercial systems subscribed to at an hourly rate calculated on actual usage, and (2) Congressional systems for which there are no search charges.

Commercial Databases	Content	Annual Cost for Usage
1. Mead Data Central		$27,000
NEXIS	News, business	
LEXIS	Legal research	
NY Times InfoBank	News	
2. VU/TEXT	Regional newspapers	1,500
3. Data Times	Western regional newspapers	1,500
4. DIALOG	Collection of databases on specialized subjects	1,500
5. Dow Jones	Business	1,000
6. Online Computer Lib. Center (OCLC)	Library cataloging system	17,900
Total		$50,400

Congressional Databases	Content
1. Senate LEGIS	Legislative status, Senate Library Computerized Catalog (SLCC), Nominations, Treaties, Senate Rules and Precedents, Communications, Votes
2. House LEGIS	Legislative status, full text of bills and resolutions, full text of Congressional Record, full text of U.S. Code, today's floor action, federal grants & contracts, congressional district profiles, full text House Rules and Procedures
3. Library of Congress SCORPIO	Legislative status, Library of Congress Card Catalog, Congressional Record abstracts, bibliographic citations, CRS issue briefs, expiring legislation, GAO reports required by Congress, full text of public laws
4. GPO Publications Reference	Current catalog of available GPO publications

The Senate Library's immediate plans for future automation include daily rather than monthly updates to the Senate Library Computerized Catalog file in LEGIS and an online book circulation system. The Senate Library staff will continue to monitor additional news and information databases as they appear on the market.

Question: What consequences do you see if the trend continues whereby fewer LEGIS requests are made of your staff and more are made from office microcomputers?

Answer: Until September 1986, the Senate Library's Legislative Information Unit was comprised of five people. When it became apparent that the number of requests for this service was declining due to the increased availability of terminals in Senate offices, one staff member was reassigned to other Library duties. The current staffing level of four people appears to be adequate for handling approximately 75,000 requests, the number answered in 1986. Should the number of requests decline further, consideration will be given to reducing the staffing level again. The number of LEGIS requests in the first three months of the 100th Congress thus far has exceeded the first three months of the 99th Congress by about 9 percent.

Question: The Senate-wide Payroll and Personnel system is targeted for implementation later this year, this is later then originally anticipated. What has caused the delay?

Answer: Last year, the Secretary of the Senate reported that the new Payroll/Personnel system would be implemented by spring of 1987. Since the time that all parties working on the system agreed on spring of 1987 for implementing the system, the Senate has experienced major changes which have had an impact on this date. In the past year, the Senate Disbursing Office has been chartered with administering the new Federal Employees Retirement System (FERS) for all Senate employees. In addition to the increased workload of the Disbursing Office, the Computer Center has experienced personnel changes on the project over the past year and, with each change, there have been delays in the project deadline.

For these reasons, I now am reporting that the system is scheduled to be implemented this year. The Disbursing Office and the Computer Center have developed a schedule that both parties are attempting to meet, and I am confident that we will implement the new system this year.

With the new system, the Disbursing Office will be able to provide additional and enhanced payroll and personnel reports to the Senate offices. Also, the Computer Center has stated that, as changes in legislation occur which affect the financial operations of the Senate, the new payroll system will more easily accommodate changes than the existing system. I am hopeful that once we are operating with a new system, we will continue to receive the full support of the Sergeant at Arms and this Committee to ensure that future developments to the system are completed as expeditiously as possible.

Question: The Senate Library plans to contract some of its binding to a commercial firm on a trial basis. How much do you estimate the savings to be over GPO costs and will you expand this procedure in the future if it proves satisfactory?

Answer: The Senate Library estimates that contracting its binding to commercial firms could result in savings of approximately ten to one over GPO costs for the same work. This estimate is based on studies done by the Library and on one recent instance of a job being contracted to a commercial binder. The Senate Library is very interested in arranging for GPO to contract all Library binding work on a "term contract" basis.

On November 7, 1986, the Senate Library sent a binding job to the Government Printing Office (Jacket No. 64-992) consisting of 24 volumes of hearings which GPO bound in-house. The Library was informed near the end of February that this job was billed the amount of $3,231; the average cost per volume was $135.

On December 5, 1986, the Senate Library sent another job to the Government Printing Office (Jacket 65-713) consisting of 72 volumes of hearings. GPO stated that it would not be able to meet the turnaround time which was requested and therefore permitted, for the first time, the job to be contracted to a commercial firm on a "display bid" basis. The contractor, American Bindery—Dobbs of Colonial Heights, Virginia, billed GPO $864 for its work. GPO added $161 to the cost of this job for paper and some in-house bindery work. The total amount for Jacket 65-713 was $1,025; the average cost per volume was $14.

This is the only time that GPO has authorized binding to be performed for the Library by an outside contractor. The experience supports the Library's previous studies concerning binding costs and confirms that GPO's charges for binding are significantly higher than those of commercial binding firms. The Library's concern about such disproportionate costs has been brought to the attention of the Government Printing Office and the Joint Committee on Printing.

Question: In your prepared remarks you note the numerous uses of computers in the Secretary's Office. What future applications do you foresee to improve the administration of the Senate?

Answer: Currently, we have automated various functions within almost every office under my jurisdiction. Many of these automation efforts were implemented for more efficient internal operations and, therefore, more expeditious and efficient service to the Senate offices. With the increase in computer usage throughout the Secretary's offices, we are anticipating enhancements to our services in various ways for future applications.

To reduce printing costs in the Senate and improve the turnaround time for printing requests from the Government Printing Office, the Secretary of the Senate is participating on a Senate-wide task force to research alternatives to current printing procedures using existing automation equipment within the Senate. On initial examination, these alternatives will include the areas of electronic composing and printing and "desk top" printing.

In the area of legislative information, the Secretary's Office is participating in another Senate-wide effort to improve the services of our existing legislative information system, LEGIS. The Legislative Information Systems Task Force is expected to report their recommendations to the Committee on Rules and Administration this spring. In summary, the Task Force is planning to recommend: (1) enhancements to the LEGIS system over a specified time, (2) during this development time, access for all offices to commercial services offering legislative and non-legislative information, and (3) access to one of the wire services.

Within the offices of the Secretary, future applications for computer use include developing an online circulation system for the Library, rewriting a Committee assignment system for the Office of Printing Services, integrating the numerous computer systems within the Disbursing Office, and examining the possibility of automating the Congressional Record. I believe that these internal automation efforts will improve the administration of services for the Senate.

OFFICE OF THE SERGEANT AT ARMS AND DOORKEEPER

STATEMENT OF HON. HENRY GIUGNI, SERGEANT-AT-ARMS AND DOORKEEPER OF THE SENATE

ACCOMPANIED BY DENNIS DOHERTY, BUDGET DIRECTOR

OPENING REMARKS

Senator BUMPERS. Our second witness today is the Senate's new Sergeant-at-Arms, Mr. Henry Giugni.

Henry, it is a pleasure to welcome you to the subcommittee this afternoon. Since this is your first appearance, we look forward to your testimony, and we look forward to working with you. Please proceed, if possible, to summarize your statement. Your full formal statement will be placed in the record.

Mr. GIUGNI. Thank you, Mr. Chairman.

Alongside of me is my Budget Director, Dennis Doherty, who I was fortunate to get from the Rules Committee.

SUMMARY OF STATEMENT

Mr. Chairman, and members of the subcommittee, I am pleased to meet with you today to discuss the budget of the Office of the Sergeant-at-Arms.

As you know, I have been serving in the Office only since January 6 of this year. Since I cannot pretend to know all the technical details of this system, I have taken the liberty of asking the principal department directors to come with me today to give you an opportunity to meet them and to ensure thorough answers to any questions you may have.

I am presenting a budget that I believe is prudent and responsible, and one that will maintain services and satisfy existing commitments. I would also like to take this opportunity to advise the committee of the status of various other pending projects and seek the guidance of this committee, as well as the Senate Rules Committee, in developing a responsible plan of action which best serves the interests and needs of the U.S. Senate.

Over the years, the Office of the Sergeant-at-Arms has evolved into an organization largely responsible for the maintenance of the technical and administrative support structure of the modern Senate. In the process, its budget has more than doubled in the last 5 years and, frankly, can be expected to continue growing as the Senate's demand for services rises.

GROWTH IN SERVICES

The reasons for this growth can be seen in even the most casual examination of the daily operations of the Senate today. Just 10 years ago, Senate offices and committees did not rely upon sophisticated computer systems to assist in administration or respond to constituents. Today, it is a necessity.

Just a few years ago, no one routinely expected to telecopy documents to and from home States. Today, it is a requirement. One year ago in June, the Senate proceedings were not televised. Today, they are. Just a few years ago, Senators did not communicate with constituents through live satellite hookups. Today, they do.

Just a few years ago, Senators did not access computerized data bases. Today, it is expected. Each of these current or prospective services are not only justifiable but necessary to respond effectively to the issues and concerns of a complex nation.

We have seen a similar growth in security measures. Threats of irrational acts of violence, while always recognized, did not rise to the level of the current age. A few years ago, the screening of all deliveries to the Capitol complex, dog teams trained in explosives detection, or extensive closed circuit security might have been considered overkill. Today, the failure to take precautionary measures would be careless and irresponsible.

This is not to say that I believe that the Senate should simply rush into the world of high technology and maximum security without consideration of cost or efficiency. On the contrary, planned development, tempered by fiscal restraint, is more critical now than ever.

It is, therefore, my intention to work as closely as possible with this committee and the Rules Committee in developing systems of cooperative oversight and policy guidance in structuring and implementing all major plans and expenditures. I believe it is fair to say that we share the objective of providing the U.S. Senate with the services of a nature and quality as would best serve the American people.

In the interest of time, I will provide you with just a brief summary of the budget.

BUDGET REQUEST

The budget request presented today is in two parts. First, the formal submission represents the funding necessary to maintain services and security at the current levels. The combined salary and operating expenses total approximately $105.7 million, just 1.14 percent over fiscal year 1987.

The modest increase is designated for the following areas:

An increase of $205,000 is targeted for salary expenses for seven additional staff in the Television, Radio, and Recording Studios. Last year's experiment with live gavel-to-gavel television coverage demonstrated the need for more adequate, cost-effective staffing levels. In addition, the increase will help to improve the quality and technical capabilities of the Studios.

A payroll increase of $848,500 for the Senate Computer Center will establish staffing levels below what they were in fiscal year 1986 and permit a rate of staff compensation equivalent to that of other federal employees with comparable responsibilities. An increase of $5 million in operating expenses is needed to upgrade, maintain, and develop Senate computer services. The expenditure of these funds will be coordinated with the Senate Committee on Rules and Administration, where I have been assured of the chairman's interest and cooperation.

An increase of $928,000 in salaries is designated for 37 positions in the Capitol Police budget to operate the closed circuit television intrusion detection system scheduled for completion in January 1988. The Capitol Police are developing a plan to fill some of these nonenforcement positions with civilians, perhaps including the recruitment of handicapped persons, to monitor the closed circuit screens.

An increase of $535,000 in expenses for the executive office is attributable almost entirely to space and operating expenses for Senators' state offices, as required under federal statute.

A $170,000 increase in payroll for the executive office is earmarked for salary increases mandated by the recently adopted congressional pay structure and the creation of two senior staff positions.

These increases are offset by a $7.3 million decrease in the budget of the Telecommunications Department, resulting primarily from the completed purchase of the Senate's new telephone switching system and a $500,000 reduction in projected overtime costs in the Capitol Police budget.

PENDING PROJECTS

The second element of this budget consists of pending projects, which are not reflected in the figures you have before you. Until final approval is provided by the relevant committees, we can only provide estimates of the costs, which may total as much as an additional $32 million. These projects include improving several computer services, beefing up security and participating in the Bicentennial of the Constitution. I will take a few minutes to outline each.

STATE OFFICE AUTOMATION

Foremost among concerns expressed by Members is the need to extend Senate computer services to state offices. The Rules Committee is expected to make a determination regarding the implementing of this program in early spring. Until a decision regarding the scope and extent of the system is made, no firm cost figures will be available. Our best estimate is $7 to $8 million for initial implementation. The project may also require approximately three additional staff.

DATA COMMUNICATIONS NETWORK

As Senate communications needs grow, and if state office automation is to succeed, our nationwide data communications network must be upgraded. Depending on a number of policy decisions yet to be made, the upgrade may cost about $2 million.

CORRESPONDENCE MANAGEMENT SYSTEM

Possible replacement of the system may be required, depending on the recommendations of a consultant study and policy decisions made by the Senate. In the past, this committee has approved funds for this project, and I am now requesting that authority be provided to extend the availability of $2.5 million of unexpended appropriations to the Computer Center for this purpose.

INFORMATION SERVICES

My office is currently working with the Secretary of the Senate, the Rules Committee, and the Policy Committee to develop a proposal to address the total computer-accessed information needs of the Senate. Once consensus is reached, as much as $6.2 million may be required to implement the program. This would include the cost of accessing various commercial services.

OFFICE AUTOMATION DEVELOPMENT

Up to $3 million may be needed for additional hardware and software to expand or upgrade office computer systems. The cost and extent of such upgrading will be subject to allocations and policies established by the Senate.

SECURITY ENHANCEMENT

In fiscal year 1986, $13.1 million was appropriated by this committee for implementation of the whip's security enhancement program, but expenditure of the funds was contingent upon approval of a final plan by five legislative committees. Because there were many controversial elements in the plan, such as construction of a fence around the Capitol, approval was never granted.

Now, the Capitol Police have identified some elements of the plan which are regarded as less controversial and which would provide immediate security assistance. I am requesting that the committee consider amending the existing appropriation, or establish some other mechanism, to allow for the incremental release of the funds to implement just those portions of the plan that are acceptable to all parties.

BICENTENNIAL CELEBRATION

If Congress agrees to hold a special session in Philadelphia in July of this year to celebrate the Bicentennial of the Constitution, approximately $250,000 may be required to cover costs to the Senate.

Mr. Chairman, members of the committee, this concludes the formal portion of my presentation. I would be pleased to try to respond to any questions you may have.

Thank you.

[The statement follows:]

STATEMENT OF HENRY K. GIUGNI, SERGEANT AT ARMS AND DOORKEEPER

Mr. Chairman and Members of the Committee, I am pleased to meet with you today to discuss the budget of the Office of the Sergeant at Arms.

As you know, I have been serving in the Office only since January 6 of this year. Since I cannot even pretend to know all of the technical details of this system, I have taken the liberty of asking my principal department directors to come with me today to give you the opportunity to meet them and to ensure thorough answers to any questions you may have.

I am presenting a budget that I believe is prudent and responsible -- one that will maintain services and satisfy existing commitments. I would also like to take this opportunity to advise the Committee of the status of various other pending projects and to seek the guidance of this Committee, as well as the Senate Rules Committee, in developing a sound and fiscally responsible plan of action which best serves the interests and needs of the U.S. Senate.

Over the years, the Office of the Sergeant at Arms has evolved into an organization largely responsible for the maintenance of the technical and administrative support structure of the modern Senate. In the process, its budget has more than doubled in the last five years and, frankly, can be expected to continue growing as the Senate's demand for services rises.

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In the interests of time, I will provide you with just a brief summary of the budget.

Overview

The budget request presented today is in two parts. First, the formal submission represents the funding necessary to maintain services and security at current levels. The combined salary and operating expenses total approximately $105.7 million -- just 1.14% over FY 87.

The modest increase is designated for the following areas:

- o An increase of $205,000 is targeted for salary expenses for 7 additional staff in the Television, Radio and Recording Studios. Last year's experiment with live gavel-to-gavel television coverage demonstrated the need for more adequate, cost-effective staffing levels. In addition, the increase will help to improve the quality and technical capabilities of the Studios.

- o A payroll increase of $848,500 for the Senate Computer Center will establish staffing levels below what they were in FY 86 and permit a rate of staff compensation equivalent to that of other federal employees with comparable responsibilities. An increase of $5 million in operating expenses is needed to upgrade, maintain and develop Senate computer services. The expenditure of these funds will be coordinated with the Senate Committee on Rules and Administration, where I have been assured of the Chairman's interest and cooperation.

- o An increase of $928,000 in salaries is designated for 37 positions in the Capitol Police budget to operate the Closed Circuit Television Intrusion Detection System, scheduled for completion in January, 1988. The Capitol Police are developing a plan to fill some of these non-enforcement positions with civilians, perhaps including the recruitment of handicapped persons, to monitor the closed circuit screens.

- An increase of $535,000 in expenses for the Executive Office is attributable almost entirely to space and operating expenses for Senators' state offices, as required under federal statute.

- A $170,000 increase in payroll for the Executive Office is earmarked for salary increases mandated by the recently-adopted Congressional pay structure and the creation of two senior staff positions.

These increases are offset by a $7.3 million decrease in the budget of the Telecommunications Department, resulting primarily from the completed purchase of the Senate's new telephone switching system

and

a $500,000 reduction in projected overtime costs in the Capitol Police budget.

Pending Projects

The second element of this budget consists of pending projects, which are not reflected in the figures you have before you. Until final approval is provided by the relevant Committees, we can only provide estimates of the costs, which may total as much as an additional $32 million. These projects include improving several computer services, beefing up security and participating in the Bicentennial of the Constitution celebration. I will take a few minutes to outline each:

- State Office Automation: Foremost among concerns expressed by Members is the need to extend Senate computer services to state offices. The Rules Committee is expected to make a determination regarding the implementing of this program in early Spring. Until a decision regarding the scope and extent of the system is made, no firm cost figures will be available. Our best estimate is $7-8 million for initial implementation. The project may also require approximately 3 additional staff.

- Data Communications Network: As Senate communications needs grow and if state office automation is to succeed, our nationwide data communications network must be upgraded. Depending upon a number of policy decisions yet to be made, the upgrade may cost about $2 million.

- Correspondence Management System: Possible replacement of the system may be required, depending on the recommendations of a consultant study and policy decisions made by the Senate. In the past, this Committee has approved funds for this project, and I am now requesting that authority be provided to extend the availability of $2.5 million of unexpended appropriations to the Computer Center for this purpose.

- Information Services: My office is currently working with the Secretary of the Senate, Rules Committee and Policy Committees to develop a proposal to address the total computer-accessed information needs of the Senate. Once consensus is reached, as much as $6.2 million may be required to implement the program. This would include the cost of accessing various commercial services.

- Office Automation Development: Up to $3 million may be needed for additional hardware and software to expand or upgrade office computer systems. The cost and extent of such upgrading will be subject to allocations and policies established by the Senate.

- Security Enhancement: In FY 86, $13.1 million was appropriated by this Committee for the implementation of the Whip's Security Enhancement Program, but expenditure of the funds was contingent upon approval of a final plan by five legislative Committees. Because there were many controversial elements in the plan, such as construction of a fence around the Capitol, approval was never granted. Now, the Capitol Police have identified some elements of the plan which are regarded as less controversial and which would provide immediate security assistance. I am requesting that the Committee consider amending the existing appropriation, or establish some other mechanism, to allow for the incremental release of funds to implement just those portions of the plan that are acceptable to all parties.

- Bicentennial Celebration: If Congress agrees to hold a Special Session in Philadelphia in July of this year to celebrate the Bicentennial of the Constitution, approximately $250,000 may be required to cover costs to the Senate.

Mr. Chairman, Members of the Committee, this concludes the formal portion of my presentation. I would be pleased to respond to any questions you may have.

SENATE RECORDING STUDIOS

Senator **Bumpers**. Henry, on the seven employees that you are asking for the Senate Recording Studios, are the Senate Recording Studios and the operation of the cameras to cover the Senate all under one budget in your office?

Mr. **Giugni**. Yes; it is.

Senator **Bumpers**. Are the seven employees needed to run the Recording Studios or the cameras?

Mr. **Giugni**. The Studios and the cameras.

Senator **Bumpers**. Both?

Mr. **Giugni**. Yes, sir.

Senator **Bumpers**. Why do you need more people in the Senate Recording Studios?

Mr. **Giugni**. To upgrade the services that are being provided.

Senator **Bumpers**. Henry, if you would furnish me and Senator Grassley with a little more substantial justification for that, it would be helpful to us?

Mr. **Giugni**. We will do that.

[The information follows:]

LETTER FROM HENRY GIUGNI, SERGEANT AT ARMS

March 24, 1987

The Honorable Dale Bumpers
U.S. Senate Committee on Appropriations
Chairman, Subcommittee on Legislative Branch
Washington, D.C. 20510

ATTN: Tim Leeth

Dear Mr. Chairman:

During the hearing of March 4, you asked for further justification for requested increases at the Senate Recording Studio. Attached you will find a copy of the proposed Development Program for the Senate Recording Studio.

The program has been prepared by the Senate Recording Studio, at the request of the Chairman of the Rules Committee and the Office of the Sergeant at Arms, in response to the widely recognized need to upgrade services and personnel. I am certain that upon reviewing this report you will share my belief that immediate steps should be taken to address the areas of need identified. Adoption of this plan will ensure that the Senate Studio will not continue to produce programs on cameras purchased in 1970; recording positions will not continue to go unmanned; and, that the use of part-time cameramen, who are paid 70% more than our employees, will not be necessary. These are only some of the more egregious examples.

Improving the quality of Recording Studio services enhances the ability of Senators to effectively communicate with their constituents. It is the goal of the Sergeant at Arms to provide broadcast products which reflect the professionalism and dedication of the modern day Senator. The implementation of this program will take us a long way towards satisfying this goal.

I am pleased and proud of the job that James Grahne, the Director of the Senate Recording Studio, has done in preparing this proposal. I believe that it is both reasonable and prudent, and request the support and approval of your Committee for its implementation.

Aloha,

Henry K. Giugni

HENRY K. GIUGNI
Sergeant at Arms

SENATE RECORDING STUDIO DEVELOPMENT PROGRAM

March 17, 1987

I. Introduction

A. Goal. The goal of the Senate Television, Radio and Recording Studio (Recording Studio) is to provide the United States Senate with services of a quality comparable to those which are commercially available for the production and transmission of television and radio communications to constituents.

Currently, limitations in staffing and equipment make it difficult for the Recording Studio to ensure commercial comparability on a uniform basis, principally because staffing levels and equipment have not kept pace with increasing demands for studio services.

The introduction of gavel-to-gavel live television coverage (broadcast) of Senate proceedings has exacerbated this situation. Initial estimates of the staffing levels to meet broadcast requirements have proven to be inadequate.

Improving the quality of Recording Studio services enhances the ability of Senators to effectively communicate with their constituents. It is the goal of the Sergeant at Arms to provide broadcast products which reflect the professionalism and dedication of the modern day Senator.

B. Charge. In order to identify and address current limitations, the Recording Studio was directed in January 1987, by the Chairman of Rules and Sergeant at Arms, to conduct a comprehensive assessment of its existing organization and resources, resulting in the following functional analysis. Proposed are adjustments (or changes) in organizational structure, as well as additional staff hires and equipment purchases.

II. Organization

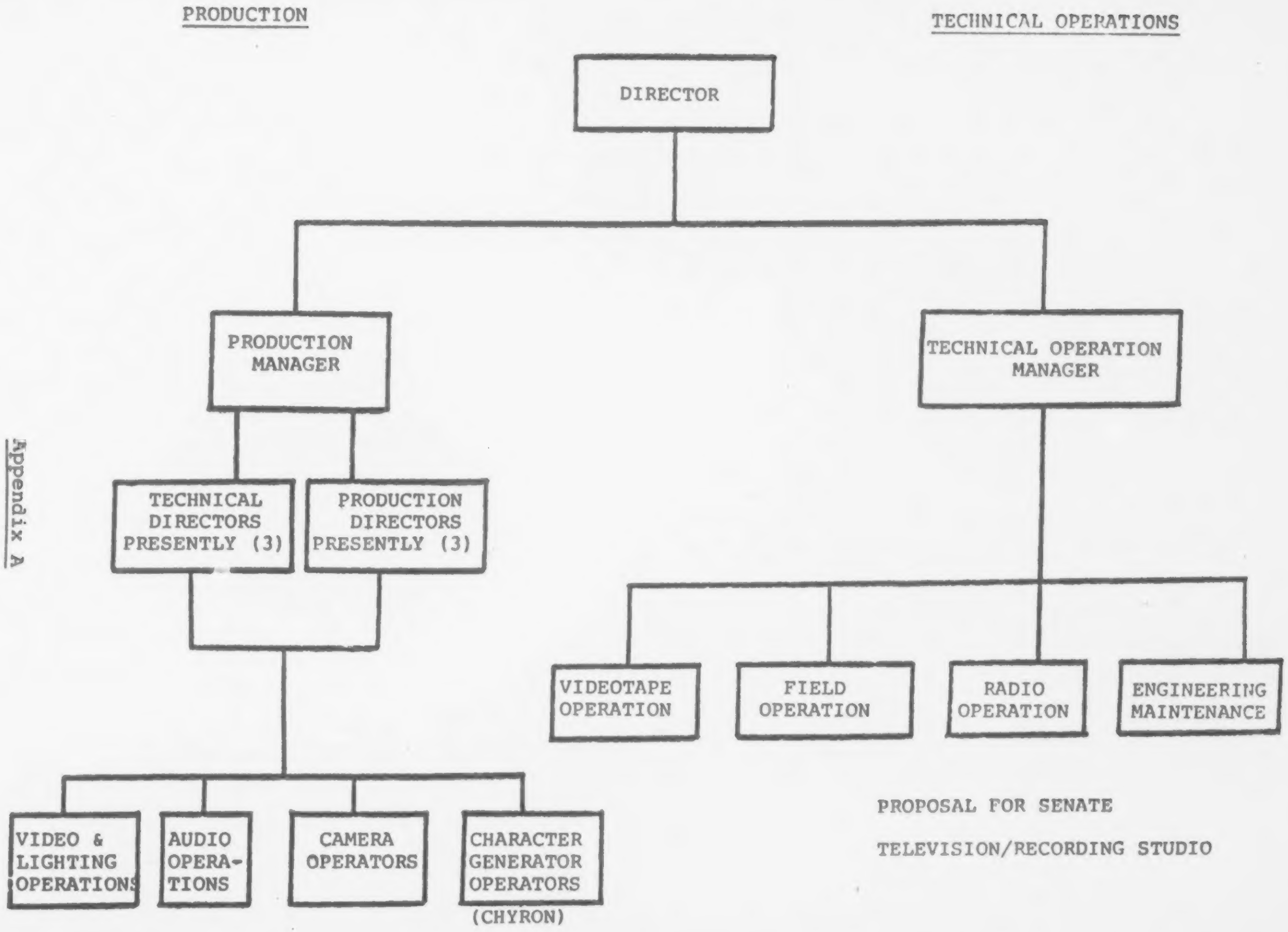
A. Organizational Structure. Because of the recent introduction of televised Senate proceedings, the Senate Television (Broadcast) and Recording Studio (Recording) staffs have been treated as relatively separate staffs.

To enhance administration and efficiency, the staffs of both studios will be treated as a single functional entity. This will permit personnel assigned principally to Recording to provide assistance to the television broadcast when necessary, and for the broadcast to assist in Recording Studio production when the Senate is not in an extended session.

A model organizational structure has been developed, to clarify and streamline responsibility within the entire studio. The model conforms to a common broadcast industry practice, whereby a production department, responsible for producing a TV product, is supported by a single technical operations unit or engineering department.

Attached as Appendix A are job descriptions of positions to be established within the organizational structure. While employees will be assigned principal responsibility for either Senate recording or broadcast functions, cross-training and shift rotation will be utilized to ensure maximum flexibility and efficiency. Appendix B represents a graphic illustration of the operating positions required to be filled as a part of the Recording function.

B. House TV Studio. To provide an initial assessment of the adequacy and reasonableness of the existing systems and levels of staffing, an examination comparing the Studios of the House of Representatives and Senate was made. The comparison suggested that, while the total expenditures involved in each operation were roughly equivalent, the nature of the additional services provided in the Senate and the complexity involved in televising its proceedings, imposed a substantially greater burden upon a smaller Senate staff. Additionally, the equipment and administrative structure utilized in the House clearly demonstrated advantages of efficiency and service.

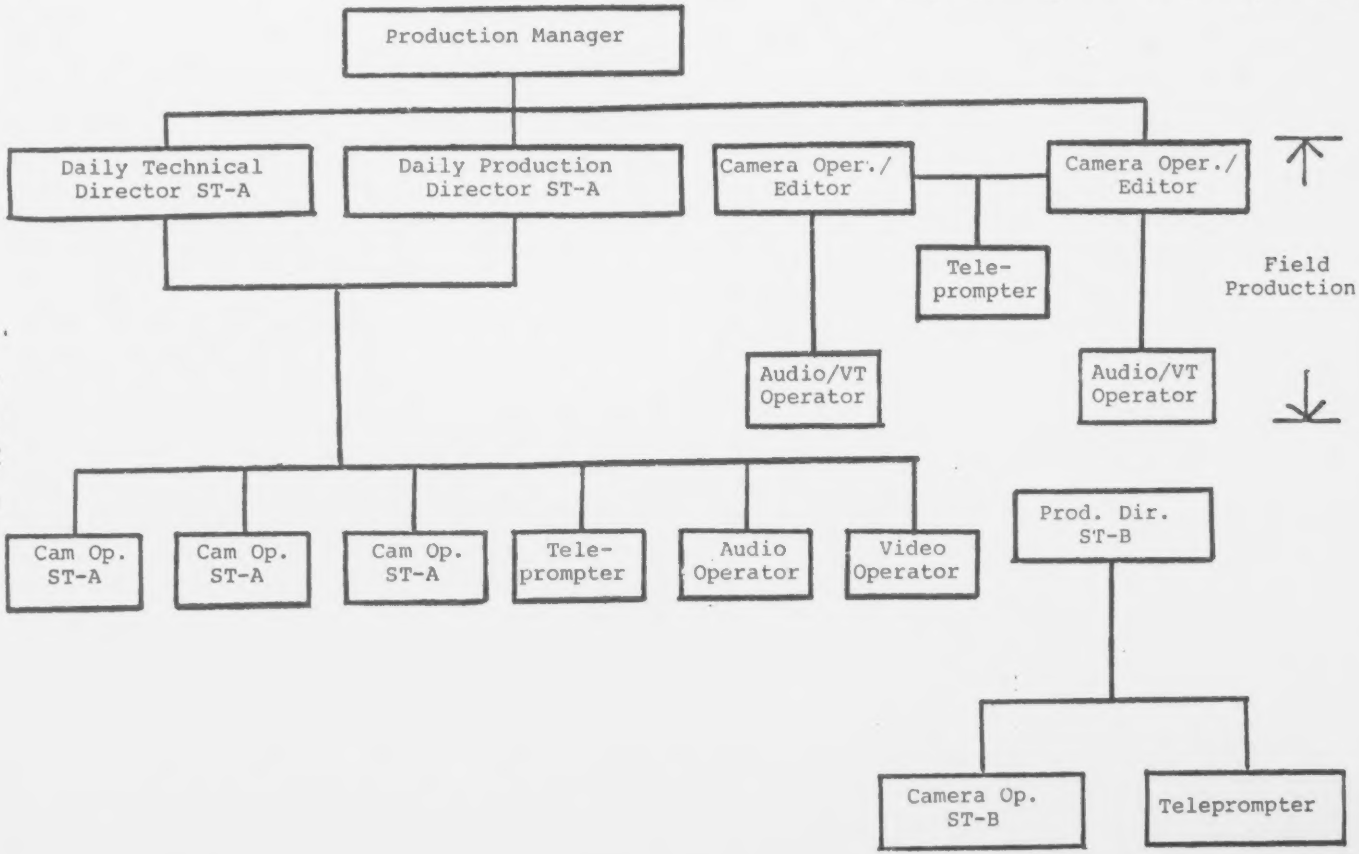

PRODUCTION
TECHNICAL OPERATIONS
DIRECTOR
PRODUCTION MANAGER
TECHNICAL OPERATION MANAGER
TECHNICAL DIRECTORS PRESENTLY (3)
PRODUCTION DIRECTORS PRESENTLY (3)
VIDEOTAPE OPERATION
FIELD OPERATION
RADIO OPERATION
ENGINEERING MAINTENANCE
VIDEO & LIGHTING OPERATIONS
AUDIO OPERA-TIONS
CAMERA OPERATORS
CHARACTER GENERATOR OPERATORS
(CHYRON)

PROPOSAL FOR SENATE

TELEVISION/RECORDING STUDIO

Appendix A

Daily Operating Positions - Recording
Requiring Staffing -
(Dependant upon services requested)


Production Manager
Daily Technical Director ST-A
Daily Production Director ST-A
Camera Oper./ Editor
Camera Oper./ Editor
Tele- prompter
Field Production
Audio/VT Operator
Audio/VT Operator
Cam Op. ST-A
Cam Op. ST-A
Cam Op. ST-A
Tele- prompter
Audio Operator
Video Operator
Prod. Dir. ST-B
Camera Op. ST-B
Teleprompter

Appendix B

SUMMARY OF HOUSE AND SENATE TV OPERATIONS

(FY 87 BUDGET)

House TV Employees:	12	Senate TV Employees:	15
House Recording Studio:	25	Senate Recording Studio:	16
Total Employees:	37	Total Employees:	31
Hse. TV Salaries:	$375,000	Senate TV Salaries:	$394,000
House Recording Studio Salaries:	$825,000	Senate Recording Studio Salaries:	$707,000
Total Budget:	$1,200,000	Total Budget:	$1,101,000

The following services are provided only in the Senate:

1. Outside studio production services, such as location shooting in committee rooms, offices, etc., and the White House for the Vice President. Requires four to five personnel.
2. On location audio recording of committee rooms, offices, etc. Requires one person.
3. Daily presentation of an edited news service on the House/Senate TV Cable System. Requires one full-time person.
4. Production of educational videotapes for Senate orientation and seminar programs. Requires two persons for filming; two persons for editing.
5. Rental of video recorders and TV sets for use in Senators' offices, committee rooms, etc. These units are delivered, hooked up and, at times, operated by Recording Studio employees.
6. Production, recording, and editing the Presidential Inauguration for the Archives.

The Senate broadcast operation is distinguishable from House of Representatives coverage for the following reasons:

1. Longer Senate sessions (Senate: 1,232 hours in 1985; House: 965 hours in 1985). This necessitates extra staff to provide relief to those working extended hours.

2. In the House, Members speak from six designated positions. In the Senate, Members speak from 100 positions, creating a more demanding TV operation. To locate a Senator who is ready to speak requires constant concentration on floor activities. As a Senator is recognized by the Chair, one of the six cameramen must quickly get the shot ready for broadcast. During a heated floor debate, the cameramen are almost continuously manipulating their cameras to search out the next speaker, alternating between speaker and presiding officer, and creating colloquy shots when possible. This type of prolonged concentration leads quickly to operator fatigue and requires short but regular rest periods, which, cannot be adequately accommodated because of the lack of personnel.

In addition to staffing differences, the House maintains a system of scheduled upgrading of equipment, scheduled rotations, periodic employee evaluation and promotions within an established framework, and computerized accounting and recordkeeping. None of these systems exist in the Senate.

The comparison of the respective studios confirmed the anecdotal impression that current levels of equipment and staffing are not sufficient and that increases would be reasonable and justified.

III. Development Needs

A. Television Program Production. A principal function of the Recording Studio is the production of live and taped television programs, utilizing studio facilities. The usual format requires a set, TV lighting, multiple cameras, microphones, and other support equipment. In 1986, more than 500 programs were produced, ranging from half-hour live satellite interviews to taped public affair spots by the Vice-President to talk shows.

1. Equipment. Essential studio equipment has not been upgraded in more than a decade.

a. Studio cameras. The three cameras presently used were purchased in 1970 as part of a complete TV studio package negotiated with the RCA Broadcast Division.

The cameras have provided years of excellent service but are no longer competitive in picture quality. The reliability of the cameras is also a concern because of their age. The recent closure of the RCA Broadcast Division creates additional problems in spare parts availability.

New studio cameras would produce sharper and more natural color pictures, cause less eye fatigue because they require less studio light, and are easier to operate, resulting in an overall improved studio product.

A study of various cameras for picture quality, cost effectiveness, and durability is presently underway by the Recording Studio staff. Whatever model is chosen, the estimated cost will be comparable to the cost of the recently purchased Senate floor TV cameras, at $100,000 each. The cost of associated equipment, such as camera pedestals, camera cable, monitors, etc., will be approximately $40,000.

Every effort would be made to use present cameras and equipment, however old, as a trade-in for new cameras, thereby reducing the overall cost.

In summary, the estimated cost for three (3) cameras and associated equipment is approximately $340,000.

b. Videotape recorders. As part of the original equipment procurement in 1970, broadcast-quality videotape machines were included for the purpose of recording studio shows. These machines are no longer used and have been replaced with non-broadcast industrial and consumer equipment. The playback and recording quality of these tape machines is not acceptable for broadcast use. While such equipment costs less and is adequate for schools, libraries and home use, it would not be used at a broadcast station or a TV production facility. This is apparent to many press secretaries and others who are actively involved in television production. If replaced, the present equipment would not be discarded but would be used where possible for non-critical recording and playback uses such as "off the air" copying and dubbing. Of the six machines, three are over ten years old and are in need of replacement. New tape machines would be identical to those used to record Senate floor proceedings, leading to greater operator efficiency and familiarity and ease of maintenance.

It is, therefore, suggested that the present videotape machines be upgraded and replaced with professional broadcast equipment. Two broadcast 3/4-inch machines have recently been purchased and are already an asset to the operation. They need to be supplemented by three similar machines. This will ensure rapid copying of studio shows, some requiring 20 to 30 copies each. The cost of three additional 3/4-inch machines is approximately $45,000.

Two 1-inch tape machines are presently used for recording and editing the majority of studio shows. Due to the great demand placed on these two machines, the failure of one causes problems. Two machines are needed for editing and, until one machine is repaired, no 1-inch tape editing can take place. Both are eight years old and, though no longer manufactured, are in good working order. It is recommended that these two machines be supplemented with an additional 1-inch machine to insure adequate service. The third machine will also be available for recording or playback while the other two are used for editing, providing for more efficient and rapid service. The cost for the 1-inch machine will be approximately $75,000.

A relatively new but growing videotape service is the recording of off-air material such as "Meet the Press," "Face the Nation," and "Nightline" where Senators are frequent guests. Requests for recording these shows has placed a great demand on the two available VHS recorders. These two machines are also used for recording and copying other program material, and are, therefore, in constant use. Three additional 1/2-inch VHS machines and associated equipment should be purchased to meet the demand for this service, at a cost of $3,500.

c. Character Generator (CHYRON). The present character generator in the Recording Studio is approximately 8 years old and lacks the graphic quality and features required for modern TV productions.

A unit similar to that used in the Senate broadcast operation is required where names and information can be stored and rapidly recalled. Storing the names of Senators on a disk file instead of retyping them every time they are needed would prevent spelling errors. The ability to change the size and position of text enhances productions and creates a more professional look.

Having comparable equipment at both facilities ensures operator familiarity and improves efficiency.

The replacement cost of the present Character Generator is approximately $34,000.

d. Audio Console. The audio console in the Recording Studio TV Control Room was originally purchased and used for film work. When film services ended approximately ten years ago, this equipment was modified to TV use. It is presently being used to its capacity but still does not meet present needs. Live programming is directly affected, and complaints have come from several stations about our audio quality. The manufacturer of the console is no longer in business, and there is concern over spare parts availability. A replacement audio console is needed to assure a high-quality, reliable service, at a cost of approximately $70,000.

e. Refurbishing of present TV studio set. The present TV studio set was constructed 17 years ago and is in need of new furniture, draperies, and carpeting. There is also a need for painting and carpentry work to conform to present day standards.

Construction work can be performed in-house by Senate craft shops. The cost of new furniture and accessories are undetermined at this time.

2. Staff. To produce top quality results meeting industry standards requires both state-of-the-art equipment and a professional crew at each operating position. However, during many studio programs, cameras and vital operating positions must be left unmanned or operated by untrained interns because of heavy workload and staff shortages. To maintain the requisite standard of service and quality the

following personnel requirements have been identified:

a. Cameramen. Two trained camera-operators should be hired to ensure that studio cameras are manned for TV shows. They would also be utilized in camerawork involved in covering floor proceedings. Each would be paid $23,000.

b. CHYRON operator. A trained character generator (CHYRON) operator should be hired to eliminate the need for office staff to fill in for this position. Salary would be approximately $27,000.

c. Technical Director. A technical director should be hired to ensure that a professional product is consistently produced, operating positions are staffed properly, new operators are adequately trained for each job, and to give leadership to the studio operations staff. Salary would be approximately $32,000.

d. Video operator. Presently, the position of video operator is left vacant during many studio productions resulting in poor picture quality. In comparison, this important position is fully staffed for the Senate TV operation. Salary would be approximately $30,000.

B. Radio. Presently, Recording Studio radio services are adequate. In 1986, 755 shows were produced.

There are no other Senate facilities providing similar service and the radio studios are used uniformly by all Senators.

There is, however, a changing demand away from the traditional mailing of radio show material to live or same day service through direct hookup via telephones lines or by satellite to respective radio stations. Several live radio programs are already slated for March and April of this year. The need for more immediate service mirrors the demand placed on TV programming where live feeds are becoming the norm.

1. Equipment. To meet the increasing demand for more live programming services a small amount of additional equipment is needed. Four additional phone lines have also been requested to interface with this equipment. Total anticipated equipment costs for radio services will be under $7,500.

2. Staffs. In order to maintain and strengthen the radio operation, a full-time working supervisor has been designated and an experienced radio control room operator has been hired within existing personnel allocations. Together with an assistant this present staff of three will ensure that a quality radio product will be produced, thereby maintaining radio services as a continuing solid base for the Recording Studio.

C. Location shooting. In 1986, there were a total of 147 location assignments covered by the Recording Studio. This service represents the fastest growing element of the Recording Studio's operation. Regrettably, numerous complaints were received regarding the quality of production services, and many Members have begun to resort to partisan services, thereby undermining the objective of providing uniform, non-partisan communications services to the Senate.

A two-man remote crew, consisting of a cameraman and a videotape/audio operator, is needed for each location assignment. At times a crew may cover two or three separate events a day. Current demand for this type of service has required the Studio to procure, with the approval of the Senate Rules Committee, an additional camera and associated equipment. However, due to the shortage of staff, a second crew of two people cannot always be fielded, resulting in the loss of studio business. This crew shortage occurs about once a week but was even more frequent prior to equipment and personnel expansion by other similar but partisan facilities.

The video material recorded on location is often very lengthy and needs to be edited down to a brief segment for TV news. Because this must be done in a rapid and accurate manner to meet the deadline of that day's evening news broadcast, the feeding of these news pieces to the various TV stations around the country often occur via satellite from the Recording Studio. However, almost all "on location" video material for daily uplinking has been edited outside the studio by other facilities. One reason is the lack of proper editing equipment by the Studio and the shortage of personnel to devote to this important service.

1. Equipment. As noted above, procurement has begun for a new portable camera and editing station. These purchases were expedited because one of the two cameras currently used simply cannot provide the production quality the Senate deserves. Numerous complaints have been received in this regard. The editing station is necessary to enhance the efficiency of existing equipment. The cost of these purchases is approximately $100,000.

2. Staff. An additional cameraman/editor was hired to accommodate current demand. This $30,000 position was within the existing personnel allocation.

D. Televising of Senate proceedings. Pursuant to S. Res. 28, principal authority for the construction and installation of the Senate television broadcast lies with the Architect of the Capitol, who is required to "consult" with the Sergeant at Arms.

The office of the Sergeant at Arms is responsible for staffing and operating the broadcast facility.

1. Equipment. A cooperative examination of the adequacy of existing equipment and camera configurations is forthcoming as a joint report to the Senate Rules Committee.
2. Staffing. The past year's experience with Senate television coverage demonstrated that the personnel level initially projected as necessary to provide coverage was inadequate. For example, temporary cameramen, paid at a rate 75% greater than Senate employees, had to be hired for a period of time simply to keep cameras rolling. Additional technical support for the system also proved to be necessary to ensure production quality.

   Funds for two positions with principal television broadcast responsibility have been reprogrammed and the positions filled. These positions were those of a technical director and video operator. Additional authority and funding is requested to hire two more cameramen if further experience and study demonstrate the positions to be required.

E. Administration. The Recording Studio currently operates without express job descriptions, formal salary ranges, automated billing or recordkeeping, computerized or electronic word processing facilities, a system or structure to address Member complaints or recommendations, a system to ensure quality control, a system for evaluating and periodically upgrading equipment, or a regular review of the user fee structure.

Within the next twelve months each of these elements will be incorporated into the Recording Studio's administrative structure. With the exception of office automation equipment, which will be supplied by the Sergeant at Arms, no additional expenses are anticipated.

III. Implementation

A. Payroll. The development program outlined identifies the need for the following additional staff:

(1) Video operator

(2) Cameramen (Recording)

(1) Character Generator Operator (CHYRON) (Recording)

(1) Technical Director (Recording)

(1) Cameraman/Editor (location)*

(1) Technical Director (TV)**

(1) Video Operator (TV)**

(2) Cameramen (TV)***

*hired to fill existing vacancy.

**hired with Rules Committee approval. Necessary funds reprogrammed.

***to be filled only if TV studio development requires.

Four positions have been filled to accommodate immediate needs. Funding and authorization for the remaining seven positions are included in the Sergeant at Arms FY 88 budget and appropriations request.

Total salaries and personnel are as follows:

	Positions	Payroll
1987	(33)	$1,196,000
1988	(40)	$1,401,000

If favorable consideration is received, five of the seven positions will be filled in FY 87 through the reprogramming of available funds. The remaining positions will be filled only if subsequent television studio development occurs.

B. Expenses. Equipment expenses for the Senate Photographic and Recording Studio are paid from a revolving fund supported in full by user fees charged to Senators. The revolving fund currently has a balance of approximately $950,000. The large balance is principally due to the failure of the Recording Studio to regularly replace and upgrade equipment.

The development program outlined identifies the need for the following expenditures:

(3)	Studio cameras	$340,000
(1)	Portable Camera*	45,000
(1)	Editing station*	55,000
(3)	3/4" Videotape recorders	45,000
(1)	1" Videotape recorders	75,000
(3)	1/2" Videotape recorders	3,500
	Associated tape accessories	35,000
(1)	Audio console	70,000
(1)	Character Generator (CHYRON)	34,000
	Radio equipment	7,500
		$710,000

*Procurement begun. Equipment anticipated 3/87.

The upgrading would take place over a period of 18 months to two years. All expenditures require the approval of the Senate Committee on Rules and Administration.

SECURITY ENHANCEMENT

Senator BUMPERS. So far as the security is concerned, and I will defer to Senator Hatfield on that, he is really more of an expert on this than I am. He has been vitally interested in this whole security plan for the Capitol complex, when you talk about appropriating money to begin with at least some basic parts of that, what would be the first thing that we should do in implementing the whip's security plan?

If I may, Senator Hatfield, were you on the committee with the whip?

Senator HATFIELD. No; I was not, but I have been involved in the Rules Committee and from this committee also.

Senator BUMPERS. Go ahead, just what do you think the barest essentials are that we should implement immediately of the security plan?

I might say that I was ready to go last year with a good part of it. It may even have been the year before last. The House has been kind of the fly in the ointment in getting this plan going as I understood it.

Mr. GIUGNI. The Capitol Police Board is trying to develop this. Let me call on Chief Carvino, if I may.

Senator BUMPERS. I am just asking the question. I don't mind.

Pull that mike up close, and would you please identify yourself for the reporter?

Chief CARVINO. I am Chief James Carvino of the Capitol Police.

Incrementally, we would like to take on board the 12 additional canines. These are dynamite sniffing dogs. It is not a very controversial issue. It would help us in the garages, in the exterior parking lots to detect for explosives. That would be one thing.

On the Senate side, we have the Hart and Dirksen loading docks and the loading dock at the Russell Building where we would like to place additional equipment to screen packages coming into those building. This would be magnetometers, x-ray equipment, and certain equipment to detect explosives. The money has been allocated in the plan, and we would need additional personnel to do that.

Senator BUMPERS. You already have the money to do those things?

Chief CARVINO. Yes; we have the first year startup money, but there are certain funds that would have to be appropriated in the fiscal year 1988 budget.

Senator BUMPERS. Really, my question went more to the security around the Capitol itself, because we were talking about all of those things that come up out of the ground.

Chief CARVINO. That is under another program.

Senator BUMPERS. That is not the same security plan that we are talking about here?

Chief CARVINO. No; there is a separate security plan that was developed under the Architect of the Capitol, and I think that $750,000 was appropriated for the placement of certain built-in barriers around the Capitol. This plan does not conflict with the security enhancement program. Under the Architect's budget, that equipment is being put in place at the present time, but this does not include the other equipment.

Senator BUMPERS. I yield to Senator Hatfield.

Senator HATFIELD. Mr. Chairman, you have put your finger on one of the real problems of this whole operation that Congress has been laboring on for a long time. One of these days we are going to get smart, and we are going to take some action.

Up until now we have been gutless in not taking the action that we have already had recommended from independent commissions that have studied this problem, and this is a kind of jurisdictional fracturing that we have created over a period of time. I won't get into that, but this is a good case in point.

LAND PURCHASES

We have appropriated money to buy land adjoining the Capitol itself, the Senate offices and the House offices. Under the terms of those purchases, one of the understandings was that we would move onto that property when the Carroll Arms was razed over here, the parking that is now on the East Front Plaza of the Capitol.

We bought some horrendously costly property on the House side to do the same thing, because unlike the image or the impression, that parking on the East Front is not for the Members, but it is for the staff members of the House and the Senate, and the media, and they never could remove that.

PARKING LOT VULNERABILITY

This is one of the greatest vulnerabilities to the security of this Capitol. We can erect barricades, we can put up the fence on the outside of the kiosk, and all those things that are in the grand design, but one car coming through that checkpoint could bring in terrorist bombs and blow up the whole thing.

Until we really move on the issue of parking, all these other items, all of the expenditures that we are making will have minimal impact because of the vulnerability of that parking lot.

We bought all of that property to remove those cars, and the question that I was going to ask Mr. Giugni is, What has been and is planned for the reassignment of those cars on the East Front to these parking lots that we have created on the periphery of the Capitol?

Let me add one further point. Until we get those cars out, any request you make for this kind of security is going to be minimal.

Senator Bumpers made a very persuasive argument, when we were considering this earlier on, we do not want to create a fortress here, or inaccessibility by the public, because we would, in effect, destroy the symbolism of our kind of democracy.

The more we can take care of those outside areas, the less restrictions we will have to have on the movement of people and visitors within the buildings. This came out in both the whip's study, and the Architect of the Capitol's study.

We have the Sergeant-at-Arms involved. We have the Architect of the Capitol involved. We have a House committee or two, and we have a Senate committee or two looking into this whole area of security that, frankly, I don't know what is going to get it integrated, except maybe the Capitol Police, and the Sergeant-at-Arms here, but still they are only dealing with one part of it.

I have raised a lot of problems, Mr. Chairman, and I really didn't mean to do that. But I do want to focus in because I started out 20 years ago trying to get aesthetic improvement around the Capitol, and get that blasted parking lot out, but we couldn't sell it on the aesthetics.

Now we are trying to deal with security, and it is a time to really merge the aesthetics and the security, and deal with the matter realistically, and not kid ourselves about the convenience of staff and the media as being paramount over the protection of the Capitol.

REMOVAL OF CARS FROM CAPITOL PLAZA

Mr. GIUGNI. Mr. Hatfield, I would like to say that we are taking a step in the right direction, but it may not be quick enough. We have already removed all people who are no longer working on the Capitol grounds. We intend to remove all of the cars, but we have got to find space for them. We do not have all the space.

We are taking steps to remove as many cars as possible, but I cannot give you an exact time when this will be completed. I totally agree with you that they should be off the Capitol grounds, and we are moving in that direction.

Senator HATFIELD. Mr. Giugni, your predecessors assured us that by piling up thousands upon thousands, millions probably in total, to buy new property would remove all of those cars. We bought all of that new property. We had to build all of that new property into parking lots, and yet the cars are still on the East Front of the Capitol.

Senator GRASSLEY. How many cars have been removed?

Mr. GIUGNI. A few, I don't know the exact number. I would say about 25. But I will give you a specific answer and a specific date, since I know that we have bought all of that property to do it. If it is the will of this committee that all the cars be removed from the front of the Capitol, they will be removed.

Senator HATFIELD. There are 750 parking places.

Senator BUMPERS. There are 750 parking places over there?

Senator HATFIELD. That is the driveways and the Plaza.

Senator BUMPERS. You know, Senator Hatfield, I am like you. We have been talking about this for some time, so either we aren't going to do anything, or we ought to get it done. It might be that an appropriate subject for a hearing by the subcommittee would just be on this subject alone.

Senator REID. Mr. Chairman, if you would yield, I would appreciate it.

One of the fears that I had about this when we talked about this on the House side—I believe it was Andy Jacobs from Indiana who said to each of the Members that: probably the only thing that would get people to realize that something had to be done would be when some tragedy took place.

I worked back here as a Capitol Policeman many years ago, and in those days we could go out on the East Front of the Capitol, the military bands used to come in every weeknight during the summer and perform out there. This can't be done any more for security reasons.

As it has been pointed out by Senator Hatfield, the automobiles out there that drive freely through, the policemen wave them through every morning—750 of them. I just think, Mr. Chairman, that I would participate, I would attend, I would do whatever I could to see if we can get this done, because this has been going on for years and years.

What is going to finally happen is somebody charging through, drives a vehicle onto the Capitol steps and blows it up, and then we will all say, we should have done something. With a trillion dollar budget, to preserve the life of the beautiful Capitol, we should be doing something more quickly than what we are.

Senator BUMPERS. Let me ask you one other question. You alluded to it in your testimony. I assume that there is no real reason to hire 37 Capitol Policemen to man this television surveillance camera plan that we are about to install in fiscal year 1988, or something like that.

Mr. GIUGNI. I believe that there is no reason for it. I believe that we can hire civilians, including handicapped individuals, at a reduced cost. I don't see the point in sending a man to the Federal Law Enforcement Training Center in Georgia to be highly trained, and then just watch a monitor. I believe we can get very competent help for the program without using uniformed personnel.

I would like to go back to the parking, if I may, sir. I have just been here since January 6. I am a doer. If you want something done, I will do it. You want the cars out. I will give you an exact date when those cars on the Capitol Plaza will be off. I will take the heat, or whatever, but this is something that must be done, and I will do it.

I have to go back and talk to the staff and ask them for a reasonable time, but I will tell you that those cars are going to be off. Give me 2 months, and they are off.

Senator HATFIELD. I called Mr. Giugni when he took office about a very minor matter, and within 4 days, as I recall, it happened. He is right when he says that he is a doer.

Mr. GIUGNI. I will have those cars off of the Plaza in 2 months. They can come and do all the talking they want; they are off.

Senator REID. Don't let the House people park on the Senate side.

Senator BUMPERS. Senator Grassley, do you have any additional questions?

Senator GRASSLEY. Yes.

CAPITOL POLICE ATTRITION RATE

Last year Congress provided money for a pay increase for the Capitol Police, it was my understanding, to decrease the attrition rate of personnel from that force.

My question is, Has this pay increase accomplished what we intended to accomplish? How could that attrition rate have been reduced over the last 5 years?

Mr. Giugni. I would like to defer that to the Chief.

Chief Carvino. The attrition rate is approximately 10.5 percent at the present time. I don't think that I can state that we are going to significantly reduce the attrition rate because of the pay increase. However, I can say that we hope to retain our younger people longer at this particular point than we have. We have a problem there.

In 1972, when we had our explosion, we hired a considerable number of military people, approximately 600. These people were retired military personnel who will be looking to retire from the Capitol Police, and that is going to keep that attrition rate high. But if we didn't take action by raising our pay on a level with our peers, it would have increased the rate of attrition.

We hope to maintain the current rate until we get through this transition period, and, hopefully, on down the line it will diminish.

Senator Grassley. Has the pay increase given you the ability to hire personnel?

Chief Carvino. We never had a problem hiring. We have good recommendations from Senators and Congressmen. A lot of good people come to us. Essentially, we have good people. The problem is retaining them once they are in.

We found that some of the morale problems that we were experiencing before have disappeared. We are attempting to develop internal career paths and certain personnel processes that will encourage them to stay with us. If we can be compatible in pay, and we can make the job more interesting and more challenging, then I think that we will be able to retain our people.

X-RAY MACHINES

Senator Grassley. Mr. Chairman, did your last question deal with the x-ray machines at the Capitol?

Senator Bumpers. Yes.

Senator Grassley. The Architect of the Capitol is requesting an additional 24 x-ray machines for the whole Capitol Hill complex. Was a request required for the hiring, or the shifting of any existing personnel to service those x-ray machines?

Mr. Giugni. The Capitol Police will have to hire six additional people.

RECORDING STUDIOS

Senator Grassley. Could I also ask you, in your testimony, you brought up about the Recording Studios, bringing that up to a point that you call commercial equivalency.

Could you elaborate for me on what it is going to require to accomplish that goal, when you expect the plan to be available, and what would be the preliminary cost or estimate of cost?

Mr. GIUGNI. Mr. Grahne, the Director, has told me that his plan will be completed in 2 weeks, and we will submit the entire plan to your committee.

Senator GRASSLEY. Do you have any estimate on what that cost might be? I suppose that is part of the planning process that we have to wait for. In other words, we should wait 2 weeks for it.

Mr. GIUGNI. He can give you an answer.

Mr. GRAHNE. Senator Grassley, in response to your question on operating the facilities in the Recording Studios, some of the equipment is quite old. For instance, the television cameras that we are using were purchased in 1970, and they really need replacement. There is some other videotape equipment also that is part of this plan.

The monies for this, which would be approximately $700,000, would be coming out of the revolving fund which has been established for equipment operation of the Recording Studios.

Senator GRASSLEY. So the money is already available.

Mr. GRAHNE. Yes, sir.

Senator GRASSLEY. Could I ask a question about the Computer Center. It is my understanding that you have a significant backlog in responding to the requests of individual offices and committees for the installation and repair of equipment. The Appropriations Committee is one example. It moved nearly 2 months ago, and yet most of the committee's computer terminals have not been hooked up.

What steps are being taken to reduce the backlog, if I am correct on that generality, is the center in any way implementing a program of depot maintenance?

Mr. FERREROS. I am Victor Ferreros, Director of the Computer Center.

Senator, with respect to the backlog, you are correct, we have a backlog, particularly with that crew, of 118 requests as of today. We have 18 people on that crew for local area network and cable installation.

As far as cabling for the Appropriations Committee, that is 100-percent complete, as I understand, as of late last night.

In terms of depot maintenance——

Senator GRASSLEY. The work is being done this week, yes, but we still don't have everybody hooked up.

Mr. FERREROS. That is not my information as of this morning. As I understand it, they were all cabled.

Senator GRASSLEY. Let's work that out outside of this official meeting.

Mr. FERREROS. As far as the program on depot maintenance, we are in the process. Our total budget request has to do with the funding so that it will enable us to install a program of depot maintenance at the Senate Computer Center. We feel that we can save approximately $500,000 a year in maintenance.

We will include some of those tasks with respect to terminals and automated workstations, as well as provide an inventory or keep a stock of workstations so that we can swap defective units. That is essentially in process and our budget request has to do with that.

Senator GRASSLEY. In your testimony, you indicated that you are developing plans to address the future needs of the Senate for computer services.

When do you expect that the plans will be finalized, and what consideration are you giving to pursuing the services with outside vendors?

In regard to that point of outside vendors, is this more or less cost effective?

Mr. FERREROS. This touches on virtually all the areas of the Computer Center, we are seeking to expand services to members of the committees.

We currently have a draft business plan, and we are also going to be addressing the whole question, along with the Rules Committee, of developing a long-range plan for where the direction of computing in the Senate should be.

As far as outside vendors, this touches on a number of things. We currently pay for the correspondence management system to the tune of $2.7 million a year. We also pay for some Members to receive DIALCOM services.

There is a legislative information system task force that consists of the Sergeant-at-Arms, the Senate Computer Center, the Secretary of the Senate, the Policy Committees, and the Rules Committee that is currently addressing what the Senate should be paying for in the area of information services; that is, legislative information services, and legislative review, information retrieval systems such as LEXIS/NEXIS, Newswire Services, and those kinds of issues. This group has met a total of three times, and they are addressing a number of those issues.

Senator GRASSLEY. On this latter point that you expressed, is that group also going to be working with this plan that you are coming out with, or is that secondary to the consideration of the basic plan that you spoke of?

Mr. FERREROS. It is a major part of the plan.

Senator GRASSLEY. Thank you, Mr. Chairman.

Senator BUMPERS. Thank you.

Senator Reid.

Senator REID. I have no questions, Mr. Chairman.

Senator BUMPERS. Senator Hatfield.

Senator HATFIELD. No; I have no questions.

Senator BUMPERS. Henry, and gentlemen, thank you very much for your testimony this afternoon. There may be members who wish to submit some questions, including myself. I have a couple that I want to submit. If you would answer those, and I won't set a deadline.

I will say this. I am probably going to be scheduling a hearing of the committee on this whole security issue, so be thinking about that, particularly in relation to how we are going to be moving those cars.

I think that it might be a little impulsive to just arbitrarily tell you this afternoon to get rid of those cars and whatever it takes. But I do think that Senator Hatfield is correct, we ought to start moving in that direction as quickly as possible.

We will give you plenty of notice, and the Capitol Police, and others who will be here to testify on this whole security issue, and start getting something meaningful done about it.

Mr. GIUGNI. Thank you.

Senator REID. Mr. Chairman.

Senator BUMPERS. Senator Reid.

Senator REID. As the Sergeant-at-Arms departs, I want to compliment you on the work that you have done under very trying circumstances. I have asked you for a number of things, and you have been, as Senator Hatfield indicated, forthright, telling me what you could do and what you could not do. I appreciate your being candid. You are obviously very hard working, and I appreciate that.

Mr. GIUGNI. Thank you.

Senator BUMPERS. Thank you very much, gentlemen.

LIBRARY OF CONGRESS

STATEMENT OF DANIEL J. BOORSTIN, LIBRARIAN OF CONGRESS

ACCOMPANIED BY:

- **WILLIAM J. WELSH, DEPUTY LIBRARIAN OF CONGRESS**
- **DONALD C. CURRAN, ASSOCIATE LIBRARIAN OF CONGRESS**
- **HERBERT S. BECKER, DIRECTOR, AUTOMATED SYSTEMS OFFICE**
- **PETER G. SPARKS, DIRECTOR, PRESERVATION OFFICE**
- **JOSEPH E. ROSS, DIRECTOR, CONGRESSIONAL RESEARCH SERVICE**
- **WILLIAM H. ROBINSON, DEPUTY DIRECTOR, CONGRESSIONAL RESEARCH SERVICE**
- **SUSAN C. FINSEN, ASSISTANT DIRECTOR FOR OPERATIONS, CONGRESSIONAL RESEARCH SERVICE**

SENATOR HATFIELD NOTES DR. BOORSTIN'S RESIGNATION

Senator Bumpers. Is Dr. Boorstin here?

Senator Hatfield. Mr. Chairman, I am going to have to leave, and I wonder if the chairman would indulge me for just one second.

Senator Bumpers. I will be happy to.

Senator Hatfield. Mr. Chairman, I had the privilege of carrying the confirmation process through for Dr. Boorstin back in 1975, and not only to carry his confirmation through the committee, but on the Senate floor.

I want to take note that this is his last appearance before the Senate Appropriations Committee as he has seen fit to tender his resignation, either for retirement or a shift of activity. He has been an extraordinarily capable Librarian for 12 years now, and is the 12th Librarian of Congress.

I am not going to engage in a long dissertation here on his many distinctions, but he was a Harvard student at the age of 15, graduated Phi Beta Kappa, and went on to be a Rhodes Scholar, earn two degrees, and read law at the same time, all with honors. He spent 25 years as a professor at the University of Chicago. He is an author and traveller.

I think that it is a very interesting vignette. In 1975, when it was indicated that he was being considered, Dr. Boorstin was somewhat ambivalent about responding to that invitation to be appointed. As I recall the story, he ran across a 1939 letter from Justice Felix Frankfurter to President Franklin Roosevelt.

President Roosevelt was in the process of appointing a Librarian of Congress, and the criteria that he suggested to President Roosevelt was, "Find someone who knows books, loves books, and makes books," and that sort of tipped the scales in favor of Dr. Boorstin's decision to accept the appointment.

I think that he has fulfilled the criteria that Justice Felix Frankfurter had suggested to President Roosevelt. He has fulfilled that criteria in a very able way. I am very proud of the record, and I am also very, very proud to call him a friend.

I just wanted to make those few remarks before I asked to be excused because I do have another meeting. I want to thank the ranking member for permitting me to give this sort of welcome to Dr. Boorstin.

SENATOR BUMPERS PRAISES DR. BOORSTIN

Senator BUMPERS. Senator Hatfield, I don't know who it was that said it, and I don't want to take a guess in front of Dr. Boorstin, because I can't embellish on it the way I do on the campaign trail, with somebody with his eminent and precise knowledge of these things.

It might have been Churchill who said, "You can tell more about a civilization by the condition of its libraries than anything else." I think that he also said, "You can tell a lot about a civilization by the condition of its prisons."

That is almost a non sequitur, but I just wanted to say that you can tell a lot about a society by the kinds of librarians that they have, too.

In my little hometown of Charleston, Ark., in 1957 we had a woman who served as our faithful librarian for 47 years, and she knew just about every new publication before it came off the press. She did more to inspire the youngsters in our community to excel, mainly by reading, than anybody else in my life, except my father.

My father always said, from the time that I can remember, "I will buy any book that you children will read," but he also was the first censor in my life. He picked the books. We were relatively poor, and my father was self-educated, but he knew the importance of books and reading. So reading has been a habit in my family, and as I have made with my children all my life. The reason that education is in a terrible state in this country now is because reading is not required as it once was.

I would like to add to Senator Hatfield's words my profound respect, admiration, and thanks to Dr. Boorstin for his faithful service. As Senator Hatfield said, he is only the 12th Library of Congress Librarian since this republic was founded, and that in itself is a very significant honor.

Having said all those things, Dr. Boorstin, I have a candidate for your replacement. Where do I send my recommendation?

Dr. BOORSTIN. To 1600 Pennsylvania Avenue.

Senator BUMPERS. I am afraid that we won't get the right person if I send it there. [Laughter.]

In any event, we are most honored to have you here for your last appearance before the committee. All of us wish to thank you very much for a job well done, a monumental chore, a very important chore for a civilized nation. We are most anxious to hear from you.

SENATOR REID'S COMMENTS

Senator Reid, or Senator Grassley, would you like to make any comments?

Senator **Reid**. Mr. Chairman, I would simply say two things.

First of all, with the background that you have given us of Dr. Boorstin, it must have been a real easy job you had in getting the confirmation.

Additionally, about making books, the last one that you have written, "The Discoverers," is a great book. Do you have another one on the way?

Dr. **Boorstin**. Yes; I do; I am now trying to produce a companion to it, "The Creators," with no theological implications. It is going to be about the arts, and that was about the sciences.

Senator **Reid**. When will it be completed?

Dr. **Boorstin**. I hope as soon as possible, and perhaps sooner, now that I will have full time to pursue my writing.

Senator **Reid**. I look forward to it.

Dr. **Boorstin**. Thank you, Senator.

Senator **Bumpers**. Please proceed, Dr. Boorstin.

STATEMENT BY SENATOR GRASSLEY

Senator **Grassley**. Mr. Chairman, previously I did not have an opening statement, but I have one in this particular case, and I would like to take advantage of the opportunity, instead of putting it in the record, to say in this instance that even though you are here to talk about budgets today, in a very real sense, we honor you as a person who has distinguished himself over the past 12 years as the Librarian of the Library of Congress.

Dr. Boorstin has had the rare opportunity to pursue two great passions while being the Librarian—his affection for books and an overwhelming desire to write, and you sure have written much.

Not many individuals can experience the satisfaction of being able to devote themselves to their dreams and deep-felt interests without sacrificing other obligations. Not only have you engaged in pursuits that enthrall you, but you have done so very successfully.

The Library will be losing a man with great energy, a person who has real zeal for knowledge, but most importantly, a fascination with American culture and the desire to tell others about that. Perhaps we, as Americans, do not understand as much as we should about American culture.

Your career, of course, is a chronicle of success in many fields. In the field of academia, you have stood out as a historian of American culture, spending 25 years at the University of Chicago, and enjoying many visiting professorships, to name a few, at the University of Rome, the University of Paris, and the University of Kyoto and Cambridge University.

As a writer, you have captured virtually every honor attainable. Your trilogy, "The Americans," received acclaim worldwide, as the first volume won the Bancroft Prize, the second volume was selected for the Parkman Prize, and the third volume was a Pulitzer winner in 1973.

You have also authored many textbooks for high schools, one on the history of the United States, and your most recent book, "The Discoverers," was a national best seller and was awarded the Watson-Davis Prize of the History of Science Society.

You have also distinguished yourself in the field of law as a Rhodes Scholar at Balliol College in Oxford, England, where you earned two degrees in law and were admitted as a barrister-at-law of the Inner Temple in London.

As is obvious from the aforementioned recitation of your achievements, you have been outstanding in all your endeavors. The Library of Congress will miss your enthusiasm and pure love for books and knowledge. The Congress will find it difficult to confirm a successor with your qualifications. We wish you the best of luck for the future in all of your pursuits, and I am sure that there will be plenty.

Senator BUMPERS. I see that the "Discoverers" was on the New York Times' best seller list for 6 months.

LIBRARIAN'S STATEMENT

Dr. BOORSTIN. The honor has been all in the other direction. It has been a great honor to be associated with the Library of Congress, and to have been a member of that family, and also to appear before this committee.

I might also add, Mr. Chairman, that the introduction that you gave me, I will be glad to come back any time. I would just say a few personal words and then summarize our appropriations request.

I am grateful to these members of this subcommittee, and the former members, for the understanding and support of the Library for the many years. My colleagues and I are aware of how difficult the decisions and choices you must make. Your staff works with great dedication in the long tradition of service that we know and share on Capitol Hill, and working with them has been a great privilege.

My Library colleagues who are here today have made very generous and tireless contributions to the Library of Congress. I know of no public institution whose staff is as talented, knowledgeable, and as committed to public service as that of the Library of Congress. I am grateful for their friendship and loyalty.

It has been my good fortune to work closely with the House and the Senate over the last decade. I will leave the office knowing that our citizens are superbly served by those who make up the Capitol Hill family. I am proud to have been part of that family, however briefly, for only 12 years.

PERSONAL NOTES

I have here, Mr. Chairman, a few more personal notes, which I would like to be allowed to add, and to make them somewhat historical.

The opportunity to participate in congressional hearings has offered me the privilege of taking part in a uniquely American institution as we are doing here today. We have more reason than ever to celebrate in this year of the Bicentennial of our Constitution.

In other countries—even free countries—the executive makes its budget behind closed doors. Your committee, and others in our Congress, offer an open public forum for hearing the reasons of those who ask for public funds and of those who object. This is a special feature of our American democratic government. Because of its familiarity we may not value it enough.

My first personal experience at congressional hearings, as Senator Hatfield mentioned a moment ago, came 12 years ago, after President Ford nominated me for the position as the Librarian of Congress.

In other countries, the party in power can name high government officials for its own reasons, with no public opportunity to reflect. The confirmation hearings before the Senate Committee on Rules and Administration reminded me that in the position on which I had hoped to enter, I would be answerable to the Members of Congress and to all Americans. If the confirmation process was occasionally strenuous, and by no means routine, the experience was finally wholesome.

Since serving as your Librarian, the opportunity—the necessity—to appear before you in such hearings as these has also been most wholesome. It reminded me and my colleagues every year—as could no formal submission of a budget in writing—of our duty to be able to justify publicly our efforts and our expenditures.

In addition, it has regularly done something, which may be more apparent to us as the witnesses than to your committee and staff. It has reminded us of a fact, illusive in this vast governmental structure, that we are serving real people, with very concrete and specific personal and constituents' interests at heart. It keeps us aware that real people care about what we are doing, want to know our reasons, and are eager to help us do better.

Our duty to appear here is also our opportunity. For me as a historian continually seeking to understand the special qualities and historic destiny of this greatest democracy in history, it has been a rare privilege. For this I want to thank you.

BUDGET REQUEST SUMMARIZED

Now I would like very briefly to summarize our budget request for fiscal year 1988. First, I would like to acknowledge the crucial role of this subcommittee in promoting the advancement of knowledge through support of the Library.

The 1988 budget which we are proposing totals $258,371,000. In addition, we are seeking authority to use receipts in the amount of $12,994,000. Seventy-five percent of the requested increase is needed to provide current services because of increased salary costs, and because of the need to fill unfunded positions in the Copyright Office and the Congressional Research Office. The Federal Employees Retirement System accounts for $8,257,000 of this increase.

Besides these current services, our important requests this year are aimed at updating our staff and services so that we may continue to provide prompt and effective service in a world of increasing knowledge and flooding information.

AUTOMATION

Automation, in which the Library of Congress has pioneered, has provided libraries throughout the country and in the world with rapid access to the world's cumulative knowledge. At the same time, automation promises to save libraries hundreds of millions of dollars in cataloging costs. Because of automation, Members of the House and Senate have immediate access to the collections through terminals in their offices.

Existing staff levels have not kept pace with the rapidly increasing bulk of materials. We have not had a personnel increase in the automated services program since 1980.

In fact, over the last 5 years, the Library of Congress has experienced a total staff decrease of 276 employees paid from appropriated funds. This is largely attributable to the dividends we have experienced in our automation program.

Now we must, if our service is not to deteriorate, request funds for a major enhancement of the Library's automated systems, including funds for 30 new positions, for a total of $3,646,000.

It is important to note, Mr. Chairman, some 1,000 staff members' productivity in our Library is directly dependent on the computer and its ability to maintain adequate response time. Our increasing dependence on computer capacity requires a more powerful computer to prevent long delays for all system users.

OPTICAL DISK PROGRAM

New technologies help us serve other libraries and scholarly institutions. The latest optical disk technology, in which the Library of Congress has pioneered, facilitates the preservation, storage, and delivery of frequently used library materials in ways never imagined by an earlier generation.

The Library of Congress has been experimenting, quite successfully, I may say, with a pilot program in optical disks. We are requesting $1,528,000 in 1988 to enable us to make use of this technology for storage of the Congressional Research Service document delivery system and for replacing obsolescent, aging, and unserviceable copy equipment.

PURCHASE OF BOOKS

We are requesting $5,372,000, an increase of $856,000, for purchase of books for the collections. This is required to maintain purchasing power for books and other materials for the general collections and the Law Library due to escalating book prices and the declining value of the U.S. dollar abroad.

NEW POSITIONS REQUESTED

As a library, we must continue to grow with the growth of knowledge. We are requesting funds for the three positions to organize and catalog the Library's unexcelled collection of sound recordings, of which only a fraction have been cataloged.

To meet demands for the expanding collection, we are requesting funds for the equivalent of 14 deck attendant positions, a librarian to coordinate the reference collections in the Social Science and Local History and Genealogy Reading Rooms, and one librarian to staff the Computer Catalog Center during the evening hours.

The Law Library continues to be heavily used by congressional staff, the legal profession, and law students. We are requesting three new positions to organize newly received materials and make them available more speedily and to provide more adequate reference service.

In addition, Mr. Chairman, we are requesting three GS–12 auditors to augment our small internal audit office in an effort to assure that our resources are used prudently.

RESTORATION AND RENOVATION

The restoration and renovation of the Thomas Jefferson and John Adams Buildings are proceeding well under the direction of the Architect of the Capitol, and we are cooperating effectively. We are requesting $5,781,000 for furnishings for the renovated space, an increase of $2,356,000 over the 1987 funding. This money is necessary if we are to proceed to phase II.

REDUCTION OF LAPSE FACTOR

For the Congressional Research Service and the Copyright Office, we are requesting funds to reduce the lapse factor in order to fill badly needed unfunded positions.

SERVICES TO THE BLIND

The National Library Service for the Blind and Physically Handicapped continues to be one of our nation's most popular reading programs. We are requesting an increase of $1,848,000 for current levels and a moderate expansion in the Braille program.

This concludes the summary of my remarks, Mr. Chairman. The farsighted Thomas Jefferson once said there was no subject on which the representatives of a great republic would not need to be informed. The wisdom of the people's representatives has nourished and cultivated a library which today is unparalleled in any other nation past or present.

I know of no more democratic institution than the Library of Congress. It has fared well under the watchful eye of the people's representatives, the supervision and interest of this committee over the last 200 years. It established an example for democratic people everywhere. I am confident of our future.

My colleagues and I will be happy to answer your questions.

[The statement follows:]

STATEMENT OF DANIEL J. BOORSTIN, LIBRARIAN OF CONGRESS

Mr. Chairman and members of the Subcommittee, my colleagues and I are pleased to present our proposed fiscal year 1988 budget for the Library of Congress. Since this is my final appearance before the Committee as Librarian of Congress, I would like to acknowledge the crucial role which this Subcommittee has played in the last decade in promoting the advancement of knowledge through support of the Library of Congress. Members of this Subcommittee join their predecessors who as the people's representatives laid the groundwork for this great library in the early days of our republic. You have provided resources for expansion and renovation of our buildings. You have supported the application of automation to the organizing and servicing of our collections and have supported the application of new technology to the use and preservation of library materials. You have given us support to serve the Congress, our libraries, the scholarly community, and the creators of works of art, music, and literature. We are especially mindful of your recent support for essential services to our many publics and for acquisitions as reflected in Congressional action on the 1987 budget.

The 1988 budget which we are proposing totals $258,371,000. In addition, we are seeking authority to use receipts in the amount of $12,994,000. This represents our judgment of the resources needed to maintain current levels of service and to provide for improved public access, for preservation of the collections, and expanded automated assistance to other libraries and to our readers.

Seventy-five percent -- $21,305,309 -- of the requested increase of $28,468,000 is needed to provide current services because of increased salary costs, and because of the need to fill unfunded positions in the Copyright Office and the Congressional Research Service. The Federal Employees' Retirement System accounts for $8,257,000 of this increase.

Besides these current services, our important requests this year are aimed at updating our staff and services so we may continue to provide prompt and effective service in a world of increasing knowledge and flooding information. As you know, the days of manually cataloging and processing library collections and manually filing the printed card in conventional card catalogs are over. I must admit that I share the nostalgia of many scholars for the card catalog with its friendly simplicity. But the dividends of automated cataloging and filing on which we have been embarked for over 20 years must overshadow sentimental concerns.

Automation in which the Library of Congress has pioneered has provided libraries throughout this country and the world with rapid access to the world's cumulative knowledge. At the same time automation promises to save libraries hundreds of millions of dollars in cataloging costs, improving the already centralized Cataloging Distribution Service established in 1902. Because of automation, Members of the House and Senate have immediate access to the collections through terminals in their offices; libraries subscribe to computer tapes distributed weekly, giving them valuable information for cataloging and acquisition purposes; and information about copyright registration is now being made available on-line to publishers and others who visit the Copyright Office.

Existing staff levels have not kept pace with the rapidly increasing bulk of materials. We must continue to develop new applications of technology to Library programs, to expand coverage of automated records, and maintaining existing systems, if the Congress and the nation are to benefit, and not be overwhelmed by the flood of new knowledge and information. We have not had a personnel increase in the automated services program since 1980. In fact over the last 5 years, the Library of Congress has experienced a total staff decrease of 276 employees paid from appropriated funds. This is largely attributable to the dividends we have experienced in our automation program. Without automation, we would not have been able to do as well as we have in these years in sustaining our service to Congress, to other libraries, and to register claims for copyright. But now we must, if our service is not to deteriorate, request funds for a major enhancement of the Library's automated systems, including funds for 30 new positions, for a total increase of $3,646,000.

Our request now for these positions and for a major updating of our automation system would allow us to increase staff productivity in an age when the flood of knowledge and information increases without precedent. Some 1,000 staff members' productivity is directly dependent on the computer and its ability to maintain adequate response time. Our increasing dependence on computer capacity requires a more powerful computer to prevent long delays for all system users. Such delays reduce employee productivity, decrease the efficiency of service to Congress and our readers, and curtail needed services to other libraries. We are also requesting additional workstations.

New technologies help us serve other libraries and scholarly institutions. The latest optical disk technology, in which the Library of Congress has pioneered, facilitates the preservation, storage and delivery of frequently-used library materials in ways never imagined by an earlier generation. This now makes possible the speedy and convenient retrieval on a screen of printed and graphic items -- without damage to the often fragile items. And the same materials can be reviewed by numerous users simultaneously. The Library of Congress has been experimenting -- quite successfully, I may say -- with a pilot program in optical disks. We currently have eight reading stations using this technology for digital and analog storage. The 1987 base represents positions and other costs which have previously been presented in other activities. We are requesting $1,528,000 in 1988 to enable us to make use of this technology for storage of the Congressional Research Service document delivery system, and for replacing obsolescent, aging, and unserviceable copy equipment. Not only will this offer a new way to provide Members of Congress and their staffs with up-to-the-minute information from over 3,000 public policy journals, but will also serve as a model for further applications here and elsewhere. In addition, we are requesting funds for further research and experimentation with this remarkable new technology.

We are requesting $5,372,000, an increase of $856,000, for purchase of books for the collections. This is required to maintain purchasing power for books and other materials for the general collections and the Law Library due to escalating book prices and the declining value of the U. S. dollar abroad. This is the minimum needed to continue the preeminence of our collections. During the past year, every effort has been made to reduce expenditures under this account without compromising our stated acquisitions policies. Blanket order specifications for materials from abroad were refined to increase economies by giving dealers less latitude in selection. Acquisition of multiple copies -- with few exceptions -- has been eliminated. Recommending officers within the Library have been instructed on the need to economize. The Copyright Office has increased its demand that publications from abroad be deposited under the copyright law. Foreign periodical subscriptions have been reviewed, with a view to reducing costs. In these ways judicious cuts in acquisitions have been made and will be continued during fiscal 1987.

As a library we must continue to grow with the growth of knowledge. Over the last decade, the Library's collections have increased by some 12 million items. We have managed a dramatic growth in our microform and foreign language collections with no additional staff to process and service them. But now we are seeking five new positions for this work in our research and reader services program. We are requesting funds for three positions to organize and catalog the Library's unexcelled collection of sound recordings, of which only a fraction have been cataloged. To meet demands for the expanding collections, we are requesting funds for the equivalent of 14 deck attendant positions, a librarian to coordinate the reference collections in the Social Science and the Local History and Genealogy Reading Rooms, and one librarian to staff the Computer Catalog Center during evening hours. Our Main Reading Room reference collection provides a valuable and convenient resource for our readers in the humanities. We would like to provide a similar service for readers in social sciences and local history and genealogy.

The Law Library continues to be heavily used by Congressional staff, the legal profession, and law students. We are requesting three new positions to organize newly received materials and make them available more speedily and to provide more adequate reference service.

The restoration and renovation of the Thomas Jefferson and John Adams Buildings are proceeding well under the direction of the Architect of the Capitol. We are requesting $5,781,000 for furnishings for the renovated space, an increase of $2,356,000 over 1987 funding. This request is for furnishings which are an integral part of the Phase I construction project which is scheduled for completion in March 1988. Without funds for this furniture we will not be able to begin Phase II.

We are requesting three GS-12 auditors to augment our small internal audit office in an effort to assure that our resources are used prudently.

For the Congressional Research Service and the Copyright Office, we are requesting additional funds to reduce the lapse factor in order to fill badly needed unfunded positions.

The National Library Service for the Blind and Physically Handicapped continues to be one of our nation's most popular reading programs. In this area the Library of Congress provides a uniquely extensive and effective program, essential to provide equal access for blind and physically handicapped citizens. We are requesting an increase of $1,848,000 for current levels and a moderate expansion in the braille program.

This is the first year for nearly 25 years that we are not making a request under the Special Foreign Currency Program. As you know, excess foreign currencies are no longer available. Conceived in the early 60's as an amendment to the Agricultural Trade, Development, and Assistance Act, this foreign acquisition program has made it possible for the Library of Congress and libraries in all 50 states to receive library materials in foreign languages and English from areas in the world where the book trade is underdeveloped. These acquisitions have enhanced our country's understanding of critical areas in the world. The countries in which the acquisitions are located have also substantially benefited through the compilation of national bibliographies where none existed before. And so we have reminded these people that we want to know about them and that we respect their varied cultures. We are requesting dollar funding to continue the Pakistan program at a reduced level and will be able on a reimbursable basis to assist other libraries in maintaining their collections of Pakistani and Iranian materials.

This concludes my prepared remarks. For the last ten years I have had a close association with the Congress of the United States and as a historian have often reflected on the wisdom of our founding fathers in providing for a government of separate powers. Alexander Hamilton in describing the Congress on the occasion of the adoption of the Federal Constitution remarked, "Here, sir, the people govern: here they act by their immediate representatives." The farsighted Thomas Jefferson added that there was no subject on which the representatives of a great republic would not need to be informed. The wisdom of the people's representatives has nourished and cultivated a library which today is unparalleled in any other nation past or present. It is appropriate that this library — a treasure house of knowledge and a fortress of freedom -- is the people's library. I know of no more democratic institution than the Library of Congress. It has fared well under the watchful eye of the people's representatives over the last 200 years and I am confident of its future.

My colleagues and I will be happy to answer your questions.

QUESTIONS TO BE SUBMITTED

Senator BUMPERS. Thank you, Dr. Boorstin.

I have a few questions, but I want to rearrange them in light of your testimony, and submit them to you in writing. Without setting a deadline for your answers, we hope that you will expedite your answers.

Dr. BOORSTIN. We will be glad to do that, Mr. Chairman.

Senator BUMPERS. Senator Grassley.

CURRENT SERVICE INCREASE

Senator GRASSLEY. Maybe I can do a little bit of that, Mr. Chairman, but I have two or three questions that I would like to ask.

First of all, I will start out with the general overall level of expenditures that is requested. The proposed budget indicates that $21,305,309 will be required to maintain current services, which is higher than the fiscal year 1987 request of $17.9 million. I would like to have you provide a breakdown.

Dr. BOORSTIN. Do you want that now?

Senator GRASSLEY. No; you should do it in writing.

Dr. BOORSTIN. Would you like a brief statement now.

Senator GRASSLEY. I would like a brief statement on it now, but I would like to have the details in writing.

Dr. BOORSTIN. We will be glad to do that.

Let me turn to Mr. Don Curran, the Associate Librarian of Congress.

Mr. CURRAN. I am not quite certain that I understood the question.

Senator GRASSLEY. I understand now that these are not the right figures, and I will stand corrected. The proposed budget indicates that $21.3 million will be required to maintain the current services.

Mr. CURRAN. Yes.

Senator GRASSLEY. This is higher than the fiscal year 1987 request of $17.9 million.

Mr. CURRAN. I understand the question.

Senator GRASSLEY. I need to know the reason and a breakdown.

Mr. CURRAN. The item that is probably driving that current level of request is $8 million for the so-called FERS, the new Federal Employees Retirement System. Since we are a high-density employer—that is, most of our funds are used for personnel costs—the new retirement system, which costs 28 percent for new people hired in that system and for people who are converting from the old system to the new, is a substantial proportion of the increase.

The old system was 11 percent in benefit costs. We are saying that every time that we hire a new person, or a person converts to the new retirement program, it costs us $284 per $1,000 of salary, compared to $114 in the old system. That one item represents about one-third of that $21 million that you questioned earlier.

Senator GRASSLEY. That is a single large item, and I get the idea. Please submit more detail for the record.

Mr. CURRAN. The other costs are for pay raise annualizations and inflationary factors. There is an item in here for the purchase of books, for example, which is $856,000. It doesn't buy us any more books, but because we make most of our purchases of books overseas, the declining value of the dollar, particularly in Western Europe and Japan, requires a substantial increase to stay even, which is 18 percent of the book budget by itself.

Then, of course, there is an upgrade and replacement for the automated system, to which Dr. Boorstin referred, replacing some copying equipment for the selective dissemination system [SDI] in the Congressional Research Service, which I am sure the Director, Mr. Ross, can talk about later. Again, that is in this budget as general support.

I will supply more detail for the record. I understand that it seems like a large percentage increase, but there are some unusual factors in this.

Mr. WELSH. There is a complete breakdown of the figures in our justification books, and we will supply that for the record.

[CLERK'S NOTE: The information requested is included in answers to questions submitted for the record.]

AUTOMATED SYSTEM SUPPORT POSITIONS

Senator GRASSLEY. Thank you.

I would like to now ask about the 30 positions. It is my understanding you are seeking these positions for the automated system support. Is this a one-time request, or do you project your personnel needs in this area are going to continue to grow?

Dr. BOORSTIN. I would like to call on Mr. Becker, if I may.

Senator GRASSLEY. Yes.

Mr. BECKER. I have been on the staff since the summer of 1985, and one of my first tasks, when I came to work in automated systems, was to look at how we were managing our projects, and how we were using the staff. There was no request for an increase last year because I had not completed that analysis.

After a thorough review, and looking at what had happened to the overall role of automation in the Library over the last decade, it became increasingly clear that we were going to be in trouble if we could not increase our staff resources, because they had been flat for some years.

As the Library staff in the various operations have become increasingly dependent on automation, or computer technology, more systems have been developed and put in place, more hardware has been put in place, and terminals, et cetera, require increased support. An ever-increasing percentage of the automated systems staff has come to be involved in maintaining these existing production systems. Therefore, fewer and fewer staff have been available to enhance these systems and to develop new systems.

We are now in a position where the major share of our resources go to current operations. Because a lot of the software and some equipment go back to the 1970's, it is a time for change. As I am sure you are aware, the whole field of information systems and computers is a rapidly changing technology, and you cannot stay with what was designed 10 or 15 years ago because you will no longer get support from the manufacturers, and you also find that you have inefficient systems in operation.

This is what has led to this major request. We would not expect to be asking for 30 new positions every year, but this is a catchup for the past.

Senator GRASSLEY. Is there any possibility of any adjustment or shifting of positions from one department to another for that purpose or must these be new positions?

Mr. WELSH. We feel, Senator Grassley, that we need these additional positions. We have tried to centralize this activity in the Automated Systems Office. We have reviewed this question very carefully and we need additional staff.

PRESERVATION PROGRAM

Senator GRASSLEY. I am going to submit some questions along that line for answers in writing. I do want to ask one more question orally, and that is in regard to the mass preservation program. I don't believe that you mentioned it in your testimony, but I was in and out.

I don't think that there was any mention of it, and I would like to have you apprise the subcommittee of how you intend to proceed with the process. I also would like to have, for the record, not for a statement right now, how funds are currently being spent, and a proposed cost schedule.

Dr. BOORSTIN. Senator, I would like to call on Peter Sparks, the Director of our Preservation Office, to speak on that, and we will supply the figures that you request for the record.

[CLERK'S NOTE: The information appears with submitted questions later in this volume.]

Senator GRASSLEY. Thank you.

Mr. SPARKS. We have proceeded with this project in good fashion this past year.

Our work with NASA Goddard at this time last year, using a pilot facility to test engineering concepts for the full-scale facility experienced procedural and design difficulties. After an analysis of the problem, we decided to redirect our engineering design and testing efforts to the chemical process industry.

We have done this with two companies that have designed and are beginning to construct a new pilot facility in Houston, Tex., which will be a smaller scale version of the large facility that will be built at Fort Detrick.

We hope to have this facility constructed by September of this year. And we will spend next fall and early 1988 running engineering tests on the design. From those tests, we will scale up the design to the large facility to be built at Fort Detrick, and then proceed to construct that facility.

We hope to have the large facility in operation by mid-1990, and are confident that this can happen barring unforeseen difficulties. The project is going along as planned at this time, and we are very pleased with the progress that we have made in private industry with the design of the system.

Senator GRASSLEY. Do you see that in the early 1990's. Are you talking about 5 years away, or 10 years away?

Mr. SPARKS. I meant early in 1990.

Senator GRASSLEY. Mr. Chairman, I have several questions to submit for the record.

Senator BUMPERS. Thank you very much, Senator Grassley.

CONGRESSIONAL RESEARCH SERVICE

Our concluding witness will be Mr. Joseph E. Ross, Director of CRS. Mr. Ross, we look forward to hearing from you. Please proceed.

Mr. ROSS. Good afternoon, Mr. Chairman and Senator Grassley.

BUDGET OBJECTIVES

It is a pleasure to appear before you this afternoon to testify in support of the budget request for the Congressional Research Service for fiscal year 1988. Our budget objectives for that year are threefold.

First, obtaining funding to fill positions that are vacant as the result of a high lapse rate, while asking for no new positions.

Second, providing funding levels for special and temporary employees and nonpersonal services allotments sufficient to maintain ongoing services to the Congress by recovering part of the base cuts experienced last year.

Third, continuing to improve research efficiency through acquisition of microcomputer technology.

MANDATORY INCREASES

Of the total request, about 85 percent of it is what we call mandatory items. Again, as it has been said before by other witnesses, a large part of that is to take care of pay increases and the new retirement system costs.

The request for the reduction of the lapse rate from 8.6 percent to 4.5 percent would allow us to fill 32 vacant positions. Our workload, Mr. Chairman, continues to increase, and we feel that allowing us to fill those additional positions next year would allow us to keep up with that increased workload.

NONPERSONAL REQUESTS

In the nonpersonal area, as I mentioned, our request includes modest increases for travel and transportation, training, offset reproduction services, professional and consulting services, data base services, office supplies, and other services, items like that.

The final item on increases is in two areas: rental of equipment and data base services, and certain books and library materials.

The former is in support of our continuing program of applying microcomputer technology to our research. Part of that request will allow us to procure 25 microcomputers and related peripheral equipment, plus the computer software associated with that.

As for the books and library materials, the sum of $180,000 that is requested will allow us to reinstate subscriptions that we canceled when funds were cut last year, and to purchase reference books for the reading rooms, reference centers, and research divisions. Both are sorely needed.

Mr. Chairman, this is my second appearance before this committee since being named as Director of the Congressional Research Service by Dr. Boorstin last year.

We have gone through a rather difficult period, trying to make scarce resources stretch to meet the growing needs of a very active Congress, the 99th. The second session of the 99th Congress last year was a specially busy and active one.

In that context, we are grateful for the support of the subcommittee in providing the resources needed this year. We hope that conditions this year will permit providing the lapse recovery and other partial restorations needed for us to continue to provide the most effective services for the Congress.

In turn, you have our pledge that we will continue to seek new ways to ensure that each dollar provided by the committee will be spent in the most efficient manner.

Thank you for your continued support.

[The statement follows:]

STATEMENT OF JOSEPH E. ROSS, DIRECTOR, CONGRESSIONAL RESEARCH SERVICE

Mr. Chairman and members of the Subcommittee:

It is a pleasure to appear before you today to testify in support of the budget request for the Congressional Research Service for fiscal year 1988. The request has been prepared in consultation with other cognizant Library of Congress officials and has been approved by the Librarian of Congress.

CRS budget objectives for 1988 are directed at (1) obtaining funding to fill positions that are vacant as the result of a high lapse rate, while asking for no new positions, (2) providing funding levels for special and temporary employees and nonpersonal services allotments sufficient to maintain ongoing services to the Congress by recovering part of the base cuts experienced last year, and (3) continuing to improve research efficiency through acquisition of microcomputer technology.

A total of $47,251,000 is requested for fiscal 1988, an increase of $6,170,000 over 1987. All but $895,495 of the increase is for mandatory items: $5,080,405 for mandatory personnel costs and $194,100 for current level increases in nonpersonal services. The $895,495 in growing workload items consists of $208,395 for special and temporary staffing, $50,000 for overtime, holiday pay and night differential, $462,100 for various nonpersonal service accounts to support ongoing programs, and $175,000 for continuing acquisition of microcomputer technology.

The largest and most significant item in our request is $1,796,541 to reduce our salary lapse rate from 8.6 percent to approximately 4.5 percent. This will allow us to fill the equivalent of 32 vacant positions, positions needed to help the Service maintain an appropriate mix of specialties as the most effective way to meet the changing needs of the Congress within the previously authorized personnel ceiling. Rather than ask for new positions as Congressional needs change, we will, if funds are available, shift vacant positions to where they are most needed.

You will recall that the fiscal 1987 appropriation act provided funding for 35 vacancies, permitting us during this year to reassign and fill positions in issue areas requiring immediate and continuing additional subject coverage. For example, we have since October been able to address subject area gaps by starting the process to fill positions in the areas of Latin American affairs, terrorism, foreign aid, communications law, health policy, and energy policy. Other significant needs will be addressed during the remainder of the year. In addition, the filling of vacancies in our telephone inquiry unit, messenger unit, and "Info Pack" unit have enabled us to restore some services in those areas. We would like to continue the restoration process next year.

For nonpersonal services, our request includes modest increases for travel and transportation, training, offset reproduction services, professional and consulting services, data base services, office supplies, and other services, miscellaneous. I believe that these increases--particularly for travel and training--are needed to maintain adequate support to a research and policy analysis organization that must stay current to help the Members and committees deal with the difficult issues of our time. All of the items will still be below fiscal year 1985 levels, even if the requested increases are allowed.

Finally, the request includes significant increases in two areas: rental of equipment and data base services, and books and library materials. The former is in support of our continuing program of applying microcomputer technology to our research effort. The request will allow us to procure 25 microcomputers and related peripheral equipment, plus computer software associated therewith. Our efforts in the microcomputer program have already had substantial payoffs, and I am convinced that they will continue.

As for books and library materials, the sum of $180,000 will allow us to reinstate subscriptions that were cancelled when funds were cut last year, and to purchase reference books for the reading rooms, reference centers, and research divisions. Both are sorely needed.

A major initiative to acquire optical disk equipment for CRS is included in the Library's Salaries and Expenses submission. The request, which would provide the Library with the first major production use of this technology, will support the CRS Selective Dissemination of Information (SDI) document delivery system, which is currently operating on obsolete and deteriorating equipment. The request is for $704,000 for scanning, retrieval and printing equipment to be located in CRS, and $570,000 for centralized supporting equipment for the Automated Systems Office. Over the last several years we have carefully examined the alternatives available, in order to maintain the service which provided Members and staff with over 1,258,000 pages of requested articles and documents last year. We have concluded that optical disk technology would provide the most reliable replacement. In addition, it is the only proven technology which offers the Congress the possibility of improving the quality, quantity and timeliness of our SDI service.

This is my second appearance before this Committee since being named as Director of the Congressional Research Service. We have all gone through a difficult period, trying to make scarce resources stretch to meet the growing needs of a very active Congress. In that context, we are grateful for the support of the Committee in providing the resources needed this year. We hope that conditions this year will permit providing the lapse recovery and other partial restorations needed for us to continue to provide the most effective services for the Congress. In turn, you have our pledge that we will continue to seek new ways to ensure that each dollar provided by the Committee will be spent in the most efficient manner. Thank you for your continued support.

CRS TRAVEL

Senator BUMPERS. Thank you, Mr. Ross.

Senator Grassley.

Senator GRASSLEY. Thank you, Mr. Chairman.

Is it correct that you are requesting an additional $40,000 for travel by your employees?

Mr. ROSS. Yes; I am informed that an additional $40,000 is being requested; that is correct.

Senator GRASSLEY. How many trips does your present budget support and how many additional trips will result from this increase?

Mr. ROSS. I will have to provide that for the record. I don't have that information with me on exactly how much that will provide.

[The information follows:]

TRAVEL ALLOTMENTS

CRS cut its travel allotments significantly when required to make base cuts as a result of the Gramm-Rudman-Hollings sequestration. We did so in order to save jobs and avoid furloughs. The funds requested for fiscal 1988 will restore only a portion of those cuts.

It is critical that CRS professionals attend workshops, training courses, and meetings with professional colleagues in order to keep skills current and assure that they are in touch with recent and in-process research in their respective disciplines. Such training becomes increasingly important as a means to broaden subject expertise and make staff effective in interdisciplinary research. Travel to recruit, particularly for our affirmative action programs, is equally important to attract the best staff we can in a highly competitive market.

CRS staff have invested significantly in their own training over the past years. In fiscal 1986, 44 percent of all of the official trips were funded, in whole or in part, by staff members themselves. Such lack of financial support disadvantages CRS staff, and is particularly distressing because those who can least afford to pay—lower level staff—benefit greatly from professional contacts and specialized training.

Fiscal year 1987 funding is adequate to fully fund only 32 trips in meetings travel and 34 trips in regular travel. Thus, only 11 percent of the professional staff will be able to benefit from fully funded travel. In fiscal year 1986, 234 trips were fully funded, supporting 27 percent of the professional staff. The funds requested will support travel for 20 percent of the professional staff, a minimally adequate investment in staff development for a research organization.

PERCENTAGE OF PERSONNEL TRAVELING

Senator GRASSLEY. What percentage of your personnel travel annually?

Mr. ROSS. Actually, it is a very small number of the total number of employees. The allocation is really not enough to support travel for a large number. For the most part, it is the specialists and analysts in our Research Division traveling mostly to attend professional meetings, to consult with colleagues in their fields of expertise.

Senator GRASSLEY. Would you anticipate that an increase will result as a result of our appropriating more money, since you are asking for $40,000 more for that?

Mr. ROSS. Yes.

Senator BUMPERS. Senator Grassley, if you would yield for just a moment.

Senator GRASSLEY. I will be glad to.

Senator BUMPERS. How much is in your travel budget for 1987?

Ms. FINSEN. For meeting travel, we currently have $23,900, and for our regular travel, we have $23,782.

Senator BUMPERS. You are asking for almost a double of the amount for travel?

Ms. FINSEN. Our fiscal year 1985 budget was in excess of the amount that we are asking for today.

Senator BUMPERS. I am sorry; say that again.

Ms. FINSEN. We cut our travel budgets significantly last year as a result of Gramm-Rudman. This request is an attempt to restore a portion of that cut.

Senator BUMPERS. How were you hampered or handicapped as a result of that cut last year?

Mr. ROSS. We were handicapped in the sense that we could not send people to the meetings that they would customarily attend. There is a diminution in their ability to support Congress.

Our specialists are really go-betweens between the people who are doing the original kinds of research out there, especially in academia, and the policymakers, Members of Congress and their staff. It is truly necessary, at times, for them to get out there, sit down and talk to them, and participate in meetings with them.

Senator BUMPERS. How much was in your 1985 and 1986 budgets for travel?

Ms. FINSEN. In fiscal year 1985, our expenditures for regular travel were $53,132, and travel for attendance at meetings was $45,159. In fiscal year 1986, for regular travel, $22,422, and for attendance at meetings, $18,754.

Senator BUMPERS. For 1987, it was $23,000 and $23,000.

Ms. FINSEN. That is right, $23,782 and $23,900.

CONCERN EXPRESSED

Senator BUMPERS. Let me just say this, with your indulgence, Senator Grassley. But we have been trying for years to get a handle on what Congress considers excessive travel expenditures in a lot of areas, not to handicap people or put them under an undue burden.

In the government, as we all know, there is a lot of travel that is very legitimate and helpful to us for upgrading people's skills, such as occasions that you mention, and so on. Gramm-Rudman will have no meaning if we cut back to accommodate it, and then we go back to the kinds of travel allowances we were allowing in the past.

I don't want to handicap CRS. They provide a great service. I know that you want to keep your skills at the highest level possible by attending seminars, and so on. But it is just a natural concern of ours, as Senator Grassley appropriately pointed out.

Senator GRASSLEY. On this point, as you were formulating the budget in your mind and justifying the increase of $40,000, was it kind of the thought that about the same number of people would travel more often, or that you would have a larger number of people traveling?

Mr. ROSS. The latter, that there would be a larger number of people. So often we were turning down people last year who wanted to go to what they thought, and I thought as well, were very worthwhile trips.

SDI EQUIPMENT

Senator GRASSLEY. What is the current status of the equipment utilized in the selective dissemination of information system? We all know about the other one.

Mr. ROSS. We had it first, Senator, the SDI.

The equipment consists principally of two Xerox machines that blow back from microfiche stored copies of the articles that are needed by the Members and their staff. They are at least 10 years old. They are no longer manufactured. We spend, I would say, 30 percent of the time trying to keep them repaired.

Senator GRASSLEY. Is 10 years the useful life?

Mr. ROSS. I am not sure.

Mr. ROBINSON. Senator, it has gone beyond the useful life in the sense that I think we actually have three machines and we keep that third machine just to keep the other two functioning. There is no future in this technology. They are not being manufactured any longer.

Senator GRASSLEY. There is no longer availability of that machinery?

Mr. ROBINSON. Not this particular machine.

Senator GRASSLEY. What would be purchased then with the requested increase for scanning, retrieval, and printing equipment?

Mr. ROSS. The optical disk system.

Senator GRASSLEY. Let me clarify this point.

Mr. ROSS. We would have, within CRS—this would be part of the Automated Systems Office, this is the optical disk system, but within CRS, we would have a certain part of the equipment, scanners that we would put into the system for copies of the articles that we were talking about, and machinery to be able to retrieve them.

Senator GRASSLEY. What I was trying to get at is, what would be purchased with that requested increase in the amount of money, or did you understand the question that way?

Mr. ROSS. Exactly what equipment would be purchased?

Senator GRASSLEY. Yes.

Ms. FINSEN. The funds we are asking for are to purchase page scanners, which would enable us to scan the documents that we are putting into the system; a number of display units, which are terminals, where we could call up the document and look at it; and then printers to allow us to make the copies at the other end.

Senator GRASSLEY. That is enough information on that.

Does that lead then to a system adequate to replace the existing equipment?

Mr. ROSS. Yes; more than adequate. This will take us, with this new technology, years into the future, and give us benefits aside from a mere replacement of the equipment, as well as savings of space. We will be able to do things that we just can't do at the moment.

Senator GRASSLEY. Thank you very much.

PREPARED STATEMENT

Senator BUMPERS. I would like at this time to enter into the hearing record a statement received from the Black Employees of the Library of Congress and the Ethnic Employees of the Library of Congress. Without objection, the statement will appear at this point in the record.

[The statement follows:]

STATEMENT OF THE BLACK EMPLOYEES OF THE LIBRARY OF CONGRESS AND THE ETHNIC EMPLOYEES OF THE LIBRARY OF CONGRESS

Mr. Chairman and Members of the Subcommittee:

We want to thank you for this opportunity to appear before this Subcommittee to describe the needs of the Library of Congress for FY 1988, as we discern those needs.

The question for this Subcommittee on the occasion of our appearance to discuss the budget for the Library of Congress for the Fiscal Year 1988 is Whether or not that Agency is honest when it does not permit its two minority employee organizations to function within its walls.

We are here today representing the original two minority employee organizations of the Library of Congress who originally established the tradition of employee organizations of the Library of Congress appearing before your committee to provide testimony from the point of view of employees, as to honesty in the operation of the Agency. Our presence here today as representatives of two banned minority employee organizations has the purpose of pointing out the dishonesty of the operation of the Agency and how it spends Congressionally appropriated funds. We make the claim that the Agency is not honest when it spends large sums of money through the judicial system in order to deny the free operation of a minority employee organization in the Library of Congress. The officials of the Library might be quick to claim a Court decision rendered in its favor on January 16th, 1987 permitting it to continue to ban a minority employee organization from operating in the Library of Congress. Our response to the January 16, 1987, Court decision is that banning a minority employee organization from operating in the Library of Congress is no different than the banning of organizations in South Africa which are working to obtain dignity and equality for all people.

We note now that in the Soviet Union there is an appearance of greater understanding and tolerance towards dissenters and towards the importance of their contributions to their society. The two minority employee organizations at the Library of Congress through their dissent have made meaningful contributions to the Library of Congress as an institution. One outstanding contribution was to cause the Library of Congress to be placed under the provisions of the Equal Employment Opportunity Act of 1972. Another example of the contributions of the two minority employee organizations was to bring together the different ethnic and racial groups of employees into one organization - the EELC - to work toward common goals.

The issue is not whether an Agency has the authority to ban employee organizations for whatever reason, but rather whether or not minority employees have the right to organize, associate, and take advantage of the rights of freedom of speech, freedom of association, freedom of the press, and freedom to assemble in the Agency. The decision of the Court was nothing more than a mere extension of the misspending of Federal funds to deny basic rights to a segment of the employee population at the Library of Congress. The Library's longstanding attempts over seventeen years since the formation of the Black Employees of the Library of Congress (BELC) in 1970 and over fourteen years since the founding of the Ethnic Employees of the Library of Congress (EELC) in 1973 to attack the names and the integrity of the two leaders of these organizations is and has been a misdirection and misuse of Congressionally appropriated funds.

The discontent among the employees at the Library of Congress remains as high in 1987 as it has been for the greater part of the last two decades. This discontent is reflected in complaints filed by staff of the Library's Special Police Force on September 2nd, 1986, September 15th, 1986, October 10th, 1986, and October 31st, 1986. These complaints against racism by members of the Special Police Force are some of the most recent, and represent only the tip of an iceberg which has been forming over many years among the ranks of the Library's Special Police Force.

More discontent is reflected in the continuing large number of discrimination complaints filed by employees with the Library's Equal Employment Opportunity Complaints Office annually. The number of discrimination complaints pending as of October 1, 1986 was 147. There were 42 new discrimination complaints filed from October 1, 1986 to January 15th, 1987. The total number of discrimination complaints pending with the Library's Equal Employment Opportunity Complaints Office on January 15th, 1987 was 166. Considering that between 4 and 5 employees are involved in each discrimination complaint, and considering the fact that the processing time at a minimum amounts to two to three years, there should be no difficulty seeing that large amounts of appropriated funds are required to handle such a large volume of discrimination complaints.

The twelve-year pending class action suit against the Library of Congress further demonstrates the discontent among the employees at the Library of Congress. The fact that the class action suit has been ongoing for twelve years is a clear demonstration of the misuse of appropriated funds by the Library of Congress administration.

The Congress bears a great deal of responsibility for this misuse of funds because we have over many years discussed these matters with you - the Congress of the United States. The response of the Congress has been simply to publish what we have said, and to do nothing about the abuses.

Our knowledge of the history of all of what we discussed requires us to request a thorough investigation into all matters pertaining to the use of funds appropriated for the Library of Congress. It also requires us to request a complete investigation into the administration of the Library of Congress and into the administration of programs at the Library of Congress established to assist minorities of all origins.

The Congress has continued to pour large sums of money through the budgetary process into the Library of Congress. The Librarian has used the increased appropriations of funds for the Library to support claims of administrative successes. These administrative successes have not meant real success relative to human beings as personnel of the Library of Congress. The success has not come because there has always been a lack of will, compassion, human goodness and understanding on the part of the Library of Congress administration toward its employees. Success in human terms cannot be bought with dollars.

SUBMITTED QUESTIONS

[The following questions were not asked at the hearing but were submitted to the Library for response for the record:]

Questions Submitted by Senator Bumpers

Question. You are asking for a substantial increase in your furniture and furnishings account related to the renovations of the Jefferson and Adams Buildings. How many years and what is the total estimated cost of these replacements?

Answer. The total cost of furniture and furnishings needed to complete the renovation/restoration project has been estimated at $13,731,000. Procurements are geared to the construction project schedule and will be made over a period of four or five years.

Telecommunications

Question. What is the Library's current information needs that are key to developing your telecommunications policy?

Answer. The Library's key information needs as they relate to developing our telecommunication's policy fall into several categories:

First, the Library is mainly an information generating and processing organization. Therefore, our primary telecommunications needs center around data and image communication rather than our voice communications.

Secondly, the technology which is available to information processors such as the Library is changing and developing constantly. Therefore, the Library's telecommunications system must be as flexible and expandable as possible to allow us to effectively utilize appropriate new technology as required to do our jobs.

Finally, flexible automation and telecommunications tools can only be effectively managed by the Library when we are able to make decisions and effect commitments in a timely manner. If we are constrained by organizational agendas or schedules outside of our control, then, despite having first class tools, we cannot hope to deliver first class products to those we serve. Our current telecommunications plan fully reflects this approach.

Question. Are you coordinating your needs in this area with the Architect of the Capitol? Are you satisfied with his support?

Answer. Library staff are participating with the Architect's staff and the contractor to complete the telecommunications planning study as effectively and quickly as possible. Given our current understanding of the thrust of the study's direction, we are concerned that the study reflect the Library's primary telecommunications needs which are mainly internal Library data communications. We do believe that the Architect and his staff are making a good faith effort to carry out the task given to him. It is too early in the study to appreciate how this effort will affect the Library's ability to meet its objectives.

Optical Disk Program

Question. Tell us about your planned use of optical disk technology.

Answer. The Library's existing and planned uses of optical disk technology are many and varied. Optical disks serve well as both a medium of publication and as a means of long term storage of vast quantities of information in small spaces. In 1985, the Library's American Folklife Center published for sale its first optical disk, "The Ninety-Six; A Cattle Ranch in Northern Nevada." The Library recently published its first compact audio disk for sale, "Our Musical Past...: Two Silent Film Scores," and within a few years may offer for sale a "compact disk read only memory" (CD-ROM) of its bibliographic data. Since optical disk publishing appears to be established, the Library is likely to offer more publications in this form.

It is in the use of optical disk for storage of vast quantities of information, however, that the Library has been the most innovative and has established a lead which others both in the U.S. Federal government and around the world are following. Optical disk technology enables improved access to information, permits the distribution of the images from a single centrally stored disk to terminals throughout the Library and Capitol Hill, eliminates the "not on shelf" problem common in the traditional method of document retrieval, and offers significant space savings. The Library has successfully stored nearly 150,000 still photographs and other images on optical video disk for retrieval in two of our reading rooms. This work is likely to continue since we have other optical video disks under design. The Library also has in use optical disks for storing high quality digital facsimilies of pages of journal articles, government documents, manuscript materials, and, soon, maps. The Library employs a highly sophisticated document delivery system which enables it to compactly store pages of text in far less space than required by the original volumes, and deliver these on demand through telecommunications, video display, and printing terminals located in various reading rooms. The Library hopes to enlarge the capacity of this system, to offer more terminals, to build a larger data base (which hopefully, will include items already published in digital facsimile form), to replace an aging and obsolete microfiche based system in the Congressional Research Service and, if the preservation potential for optical disk technology can be proven, to replace microfilming of some types of materials.

In sum, the Library hopes to "aid and abet" research and scholarship by using technology to eliminate barriers to accessing materials and to preserve the content of recorded knowledge for future generations.

Gramm-Rudman-Hollings Impact

Question. Please explain the impact that the Gramm-Rudman-Hollings had on the Library in terms of the number and type of people who were let go. Also tell us how much of your FY 1988 budget request is to restore items reduced last year.

Answer. As a result of the Gramm-Rudman-Hollings Legislation, the Library abolished 111 positions encumbered by staff members. Of these, 70 staff members were accorded full RIF rights in accordance with regulations and/or collective bargaining agreements which are primarily based on seniority. The remaining 41 staff members were temporary, term, or conditional employees and had no RIF rights. During the five "rounds" of the RIF process, an additional 10 staff were separated, seven of whom had no RIF rights and three who exhausted their RIF rights without placement. In sum, a total of 165 staff members were affected by the Gramm-Rudman-Hollings legislation. Of these only 51 actually lost their jobs. Only three of these 51 were permanent or indefinite employees having full RIF rights. Additional information regarding these positions is as follows:

1) Eliminated one-hundred-eleven (111) positions

a)	*Permanent positions:	79
b)	**Indefinite positions:	9
c)	Indefinite NTE (time-limited) positions:	16
d)	Temporary positions:	7
	Total	111

*Seventeen of these staff members were in the conditional phase of appointment and were not entitled to RIF rights.

**One staff member was in the conditional phase of appointment and was not entitled to RIF rights.

2) Of the one-hundred-eleven (111) positions eliminated, sixty-six (66) staff members were offered other positions in the Library.

3) A total of fifty-one (51) staff members were involuntarily separated from the Library. Forty-eight were either in the conditional phase of appointment or were in temporary or indefinite time-limited positions (no RIF rights), and three (3) staff members were separated after their RIF rights were exhausted.

The following amounts represent requests to restore items reduced last year:

National Programs	Printing, publications	$ 28,900
Copyright Office	Salaries & benefits	461,788
Congressional Research Service	(See separate answer)	702,695
	Total	$1,193,383

Question: Please explain the impact of Gramm-Rudman-Hollings on the Library (Congressional Research Service) in terms of the number and type of people who were let go? Also tell us how much of your FY 1988 budget request is to restore items reduced last year?

Answer: The Congressional Research Service did not conduct a RIF as a result of Gramm-Rudman-Hollings. Rather, the cuts were absorbed in the following manner: (1) freezing vacancies wherever they occurred; and (2) taking deep cuts to many nonpersonal services allotments in order to avoid RIFs or furloughs. Therefore, no CRS staff were let go as a result of the base cuts.

Coming on top of base cuts made at the outset of 1986, the Gramm-Rudman-Hollings cuts have resulted in reductions in direct service to the Congress, and in a significant loss of training and resource support for CRS staff.

When the FY 1988 request was formulated, however, we did not take an across-the-board approach to requesting restoration of these funds. Rather, we evaluated the impact of the cuts after a year of working with reduced funding levels, and requested funding only for items which were felt to be most critical to providing an effective and responsive analytical and response capability.

Overall, we have reduced some activities, and we expect to continue to operate at the reduced levels. One example of this is a reduction in the number of InfoPack subjects available. However, there are other budget items that should be increased in order to maintain a critical balance between a staff and the tools available to that staff which enable them to be effective and efficient. Such items as books, office supplies, data base use, travel and training contribute significantly to the CRS' efforts to maintain expertise and improve productivity.

The table which follows provides an analysis of the cuts made and the recovery requested. Columns 1-3 identify the base cuts made in 1986 at the beginning of the year and as a result of Gramm-Rudman-Hollings. Some funds were restored in 1987, as noted in column 4. Column 5 lists all of the Growing Workload items requested for 1988, and column 6 identifies which of these have the effect of recovering portions of the combined 1986 funds cut. Column 7 identifies the amounts which were cut in 1986 but which are not restored by the 1987 increases granted or by the 1988 funding requested. Thus, if the 1988 request is granted, the CRS will still be absorbing a total of $1,211,900 in cuts made in 1986.

Congressional Research Service: Analysis of 1986 Cuts and Recovery Requested in 1988

	1	2	3	4	5	6	7
	Initial 1986 Base Cut Over 1985 Base	GRH Cuts Made to 1986 Base	Combined 1986 Cuts	1986 Base Cuts Restored in 1987	1988 Growing Workload Request	Amount of 1988 Growing Workload Request Which Recovers 1986 Cuts	Amount of 1986 Cuts Not Recovered in 1987 or by 1988 Request
11.1 Salaries and Comp	0	992,857	992,857	861,315	0	0	0
11.3 Special & Temporary	194,000	0	194,000	0	194,000	194,000	0
11.5 Other Personnel Comp ...	41,800	50,000	91,800	0	50,000	50,000	41,800
12.1 Personnel Benefits	0	119,143	119,598	105,057	14,395	14,395	0
13.5 Unemployment Comp	0	0	0	0	0	0	0
SUBTOTAL, PERSONAL SERVICES...	235,800	1,162,000	1,398,255	966,372	258,395	258,395	41,800
21A. Regular Travel	5,800	30,000	35,800	0	20,000	20,000	15,800
21B. Attendance at Meetings .	5,300	25,000	30,300	0	20,000	20,000	10,300
21C. Local Travel	0	2,000	2,000	0	0	0	2,000
23A. Postage	0	40,000	40,000	0	0	. 0	40,000
23B. Local Telephone	34,000	45,000	79,000	0	0	0	79,000
23C. Long Distance-Regular ..	0	20,000	20,000	0	0	0	20,000
230-2. Long Dist Tel-Data ...	1,000	5,000	6,000	0	0	0	6,000
23D. Teletype, Telegraph	0	1,500	1,500	0	0	0	1,500
23E. Rental of Equipment	99,600	60,000	159,600	0	135,000	0	159,600
24E. Printing, Publications .	82,000	30,000	112,000	22,700	0	0	89,300
24F. Printing, Forms	23,800	15,000	38,800	7,300	0	0	31,500
24L. Offset Reproduction	90,200	25,000	115,200	0	9,500	9,500	105,700
24M. Photoduplication	6,900	0	6,900	0	0	0	6,900
25A. Other Services, Misc. ..	42,400	0	42,400	0	33,600	33,600	8,800
25B. Security Investigations	5,200	10,000	15,200	0	0	0	15,200
25D. Services Other Agencies	11,600	9,300	20,900	0	0	0	20,900
25E. Tuition & Training	20,800	65,000	85,800	0	34,000	34,000	51,800
25F. Prof & Consultant Serv .	706,400	80,200	786,600	300,000	78,000	78,000	408,600
25Q. Data Base Service	75,000	50,000	125,000	0	28,000	28,000	97,000
25T. Training Contracts	0	0	0	0	0	0	0
26A. Office Supplies	59,200	0	59,200	0	59,000	59,000	200
26E. Pamphlets & Documents ..	0	0	0	0	0	0	0
26N. Computer Software	0	0	0	0	40,000	0	0
			0				
31. Books & Library Mat	162,200	0	162,200	0	180,000	162,200	0
31H. Equipment (ADP)	0	0	0	0	0	0	0
SUBTOTAL, NONPERSONAL SERVICES	1,431,400	513,000	1,944,400	330,000	637,100	444,300	1,170,100
TOTAL, CRS...............	1,667,200	1,675,000	3,342,655	1,296,372	895,495	702,695	1,211,900

Salaries and Expenses

Question. You are requesting $5,368,000 for annualization of the Federal Employees Retirement System (FERS) costs. Is this estimate still accurate and what has this new system done to your benefits equation, as a percent of salary?

Answer. The amount requested is based on the formula outlined by the Office of Management and Budget in their Bulletin No. 87-2 dated 10/24/86, and is accurate on the basis of that formula.

To obtain a more accurate figure, we will have to wait for the results of the open enrollment periods during which Civil Service Retirement System (CSRS) employees will switch to FERS and the result of the determination by the FERS employees as to what percentage of their salaries will be put into the Thrift Plan.

A comparison of the personnel benefits to the total personnel compensation results in 11% for FY 1986; 14% for FY 1987; and 20% for FY 1988.

Question. Four positions are requested for 3 years for the subject heading cross reference project. What will these people do when the project is complete and why couldn't the support for this project be contracted out?

Answer. The project to improve the cross references in the subject heading list requires the expertise of experienced subject cataloging specialists. We plan to hire two GS-12 editorial specialists who will work in the Subject Cataloging Division as replacements for incumbent subject specialists who will be detailed to work on the cross reference project. The two GS-11 editors will supply editorial support using the Library's internal online input/update system. These four people will be closely integrated into the work of the subject cataloging operation during the life time of the experiment; this situation does not easily lend itself to contracting. The positions will be indefinite and the incumbents' employment will terminate at the end of the project. However, they will have opportunities to find other Library positions, if they desire, using the Library's open posting system.

Question. Tell us about the 20 year program to convert serial data from manual to machine-readable form. What work is to be done? Why will it take so long?

Answer. The Library has been planning for several years an automated system to manage the receipt, processing, and servicing of its serials collection. These operations are now performed using a large number (approximately 50) of inventory, binding and collection files; all manual. The largest of these, the Serial Record File, contains records for 850,000 serial titles and grows at the rate of 20,000 records per year. Records have twelve or more important data fields including extensive holdings information which represents the detailed inventory information of the Library's extensive serials collection. While the Serial Record is the central inventory file, there are dozens of related files throughout the Library's acquistions, custodial and research divisions. The automated system will need to contain the data represented in these files in order to function. One of the major aspects of the entire serials management project will be to convert the core serials control data in the major files mentioned above.

Question. Why is this program allocated $200,000 for 20 years, wouldn't it be better to contract for the total project cost all at once?

Answer. The request for an annualized sum of $200,000 to be used to convert serials managment data was based on a number of assumptions. These assumptions included: This work would best be done using contract staff; this contractual activity can only be done in the evening and weekend, non-peak work hours, when conversion will not interfere with regular operations; the conversion team can not be more productive than there is Library staff available to review their work and ensure high standards of quality; and conversion will be carried out in phases, starting with the most crucial data in the most important files (anticipating that 12 years will be required for the principle file [the Serial Record File] and eight years for the remainder of the files).

Given the constraints on coversion in terms of hours and productivity, it was felt that the project would have to be limited to 1,500 records converted per week at an annual cost of $200,000.

Pakistan/Iran Program

Question. Please explain the Pakistan/Iran Program. Is this program a permanent one?

Answer. The Pakistan office, located in Karachi, acquires three types of printed materials: 1) those published in Pakistan, mostly in Urdu and English; 2) Afghan refugee materials published in Pakistan, mostly in Pashto and English; and 3) materials published in Iran, mostly in Persian. Using local staff, the office catalogs and distributes these materials to LC and 29 American research libraries. The office also catalogs material published in Afghanistan itself, mostly in Darri and Pashto. These materials published in Afghanistan are acquired by the embassy in Kabul and shipped to the Library of Congress office in New Delhi. This office forwards them to the Karachi office, which has the language expertise to catalog them.

Since it was established in 1962, the Pakistan office has served the collections needs of libraries all over the United States by distributing over 4 million pieces. Starting in FY 1987, the libraries receiving these publications have paid for their publications and their share of administrative overhead with dollar contributions to deposit accounts which the office administers. During FY 1987, Special Foreign Currency rupees have covered the purchase of publications for the Library of Congress and the cost of processing these publications. The requested dollar funding would cover staffing and overhead expenses of acquiring, processing, and shipping materials for the Library of Congress. Other libraries receiving publications from the office would continue to reimburse the Library for these services.

The Karachi, Pakistan office plays a vital role in acquiring and cataloging publications from Pakistan, Afghanistan, and Iran, three countries that form a geo-political tier along the southern border of the Soviet Union. Without the Pakistan office, acquisitions and cataloging of materials from this critical region would be severely reduced for the entire nation. With a continued cooperative acquisition program, the work of the Pakistan office will benefit scholars and researchers all over the United States.

With dollar funding, the Pakistan/Iran Program will be permanent.

Question. Explain the need for 5 permanent GS-5 library technicians and 14 temporary GS-4 deck attendants in the Research Services Department.

Answer. The five permanent library technicians have been requested for Research Services Department to maintain current levels of collections maintenance and service to users of the Library's collections of microform and foreign area collections which have grown dramatically over the past ten years (from 1,700,000 to nearly 4,000,000 items) with no increase in positions to maintain, process and service the materials on a current basis. These rapidly growing collections cover foreign and special format materials, particularly in the following areas: China, Southeast Asia, Near East (Afghanistan, Iran, Soviet Central Asia and Turkey), Europe, Russian, and the Library's general collection of microforms. The complexities in language, script, place of origin, and format make the processing of these collections all the more difficult and time-consuming. In addition, reader use of these collections overall has increased by more than 60 percent over the same time period. These new technicians will perform such critical support duties as sorting, arranging, shelving, serving the materials to readers, and preparing the materials for binding and preservation microfilming. All of this work is essential for the Library to maintain its high standards of excellence in public service and quality care of its collections.

The equivalent of 14 temporary GS-4 deck attendant positions are requested to meet the growing workload of servicing reader requests which have increased overall nearly 10 percent over the last five years and to provide staff to cover the 50 percent expansion of deck areas housing the collections as a result of much needed additional collections space made available with the opening of the Madison Building. This increase in staff will allow for satisfactory maintenance and access to the collections and faster service to users.

Question. Also explain the need for 3 positions to improve cataloging and control of the Library's collection of sound recordings, in the same department.

Answer. Three positions have been requested for the Recorded Sound Reference Center in the Motion Picture, Broadcasting, and Recorded Sound Division to accession and catalog sound recordings (one GS-7 accessioner and one GS-12 cataloger) and one GS-7 reference assistant to perform documentation duties such as filing.

There are some 1.3 million sound recordings in the Motion Picture, Broadcasting, and Recorded Sound Division, only a fraction of which have been fully cataloged. The availability of the MUMS-MARC system for sound recordings (since 1984) makes it possible to move toward minimum satisfactory control of this great resource, by cataloging a selection of the most significant current receipts, especially the large number of older sound recordings received by gift or produced through the Library's preservation program. (A major component is the NBC Radio Collection.) This need is reinforced by the fact that, over the past five years, there has been a greater demand for access to this collection: from 3,920 readers given reference assistance in fiscal year 1982 to 14,145 in fiscal year 1986.

Question. What responsibilities will the proposed 3 new positions in the Law Library have?

Answer. The Law Library has records and briefs of the U.S. Courts of Appeals which date back to 1891 and is the de facto national depository for these documents. Over the past few years there has been a dramatic increase in receipts, which have averaged over 30,000 pieces annually. The daily workload of stack service operations has made it impossible to process records and briefs except on an overtime basis, thus, these materials accumulate and are inaccessible for long periods of time until staff and funds are made available for processing. One of the library technician position requested would be responsible for receiving, unpacking, sorting, arranging, and filing incoming records and briefs in a timely manner as well as shifting when additional space is needed.

One library technician position is needed to assist in the filing of over 2,000,000 domestic and foreign loose-leaf pages per year into codes, rules and regulations, law reports, commentaries, and treatises, as well as "packaged" services. The technician would receive and sort the periodic issues of loose-leaf publications in various languages. The new loose-leaf page inserts would then be filed in, and superseded pages removed from, binders in accordance with instructions that usually accompany each issue of new loose-leaf material. The filing of this material varies in complexity, from simple consecutive numbering of pages to the unusually involved classification by section, paragraph, part, etc.

One library technician position is required to assist in the maintenance of the Law Library Reading Room. Duties would include shelving and filing new material, reshelving circulated material, and shelf reading. Other maintenance tasks, that are now often neglected, could also be performed. These include sorting the slip opinions, filing foreign legal services and assisting with Supreme Court records and briefs when it is binding time or when the old congressional documents are to be discarded. Also, there is the added responsibility of the receipt, check-in, claiming, shelving and preparation for finding of over 280 direct order periodical titles in the Reading Room.

Question. Please explain the need for 30 additional staff in the automated systems area?

Answer. Since information systems technology has been introduced to the Library, it has evolved from an incidental support function to become an integral part of the daily operations of the Library. More and more functions are highly dependent on the information systems designed and operated by the Automated Systems Office. As more systems have been introduced into production, the support and operation of those systems have utilized a larger share of the total Automated Systems Office staff resources. This leaves a significantly decreasing number of staff available for the development of new systems to support functions that have not yet benefited from information systems technology and to replace some of the systems now in production based on very early technology that are no longer efficient or responsive to user needs. The ever changing technology in the information systems field requires organizations to update their systems to take advantage of the new technology for efficient operations. Further, the data processing industry does not continue to support either old software or hardware indefinitely. Staff resources in the Automated Systems Office have not changed significantly since 1980. The 30 positions requested in the FY 1988 budget are an effort to make up for what should have been incremental changes over the last seven years. The current Automated Systems Office staff resources are stretched to the point where many development efforts take far too long to complete, resulting in inadequate service to the user community and the risk that by the time new systems are implemented, the requirements have changed or the approach is obsolete. Failure to add significantly to the Automated Systems staff resources in the very near future will mean that the Library's information systems will not be adequate to meet its various needs in supporting the Congressional and Library community and that the Library's leadership role in the use of information systems technology will seriously erode.

Question. Included in this request are eight systems analysts and eight programmers. How many of each of these categories does the Library employ now and why couldn't these services be contracted for or generalized software purchased?

Answer. Currently there are 55 programmers and 126 systems analysts in the entire Library of Congress, of which 46 programmers and 87 systems analysts are in the Automated Systems Office.

From time to time certain specialized development efforts are, in fact, contracted. The difficulty with contracting for major systems development efforts is that the knowledge necessary to design systems for the Library is far from readily available in the commercial world.

It is generally understood in the data processing industry that when a software program is "finished" and placed into a "production" status, that program, during its expected lifetime, will require an amount of programming resources in maintenance and modification which is equivalent to the amount of resources used to put it in production in the first place. Experience shows that if we spend 2 staff years getting a program developed and placed in production, we will spend another 2 staff years in maintenance and modification before that program is retired and discarded. A contractor who writes a program and then walks away leaves a legacy of future work to be done, and for this reason it is best to have in-house trained staff ready to carry out this work. Dependency on contractors for modifications to a system they designed can become very expensive and sometime impossible because of contractor staff turnover.

As part of our design approach, we ordinarily review the software that is available from commerical sources to determine whether we should purchase it instead of developing our own. The state of information systems technology today is such that there is very little generalized software in many application areas which can be transferred from one environment to another. Software is still most efficient and effective when it is customized to meet specific requirements. Even in the administration area where industry and government use personnel and financial management systems, the requirements for government agencies are different enough to make use of generalized software often difficult, if not impossible.

In the area of library functions and processes themselves, obtaining generalized software is even more difficult. While there is currently considerable information systems software available on the market which runs on microcomputers and can be used by public libraries, these systems have very little relevance for the requirements of the Library of Congress. The Library of Congress remains unique in the size, diversity, scope, and nature of its operations. The supporting information systems that are essential to its functions can rarely be obtained from the commercial marketplace. Also, in a few cases where they have been obtained, the necessary modifications to make them suitable for our requirements have turned out to be expensive. In those cases where we have selected commercially available software or used contractor support, it has been essential to assign staff of the Automated Systems Office to monitor and evaluate this work.

The Automated Systems Office is trying to increase the number of relevant generalized software tools used in the Library, such as data base systems and application generation systems. Tools, such as DATACO and IDEAL from Applied Data Research Inc., are pieces of generalized system software that allows our programmers to concentrate on the task which need to be customized to meet specific Library of Congress needs.

We are also trying to create integrated data bases so that data is shared among the many user groups and applications systems that may require it. It is generally felt in the data processing industry today that data integration is best achieved through use of organization-wide data base software where the in-house development staff has constructed applications using high level languages or applications generators. This approach to data integration succeeds better than the collection of various off-the-shelf packages from different vendors, each of which might have its own files and each of which might have difficulty interfacing with any of the other packages.

Our approach has been and will continue to be to look for the most effective approaches for meeting information systems requirements. However, none of these new tools or contractor supplied software is a substitute for the additional staff requested in FY 1988.

Question. A total of $1,274,000 is requested for equipment related to the installation of optical disk equipment in the Congressional Research Service (CRS) for their Selective Dissemination of Information (SDI) system. This is made up of $704,000 in equipment related to the optical disk technology and $570,000 in related support equipment. Please describe what mission this project will fulfill and the purpose of each piece of equipment?

Answer. Description of the CRS SDI Service. The Selective Dissemination of Information (SDI) Service is a current awareness service provided to Members of Congress, their staff, and CRS researchers since 1970. Those who receive the service specify particular topics of interest in areas of public policy. Each week they receive a set of cards listing the most recent material published on those subjects, culled from some 3,000 journals, and from hundreds of congressional and government documents and research studies reviewed by CRS subject bibliographers. From these listings, Members and their staff request specific items, which CRS staff then copy and forward to them. In fiscal year 1986, we sent over 69,900 items in response to such requests, totalling an estimated 1,258,000 pages of material.

We currently send the weekly SDI card printouts to approximately 700 congressional staff; based on studies, we estimate that these recipients share their printouts with some 4-5 colleagues, resulting in some 2,800-3,500 total congressional users. In addition, over 360 CRS analysts depend on the card service to help keep current in their subject areas.

The SDI Service cards sent to congressional offices are produced from a data base of citations to public policy literature created by CRS subject bibliographers since 1969. In addition to generating the cards, the data base is used for online searching by congressional offices and CRS researchers through the Library's SCORPIO retrieval system. In fiscal year 1986 the data base was searched over 70,000 times by congressional staff to locate material of specific and immediate interest, and by CRS analysts and librarians to respond to congressional research and reference requests. The data base is also searched in a "batch" mode to produce retrospective bibliographies. In fiscal year 1986 over 4,200 such computer-generated bibliograhies were produced for congressional use.

In order to provide this SDI service, CRS creates a microfiche copy of the original item--a process which involves preparation of materials, filming, film processing, quality control examination, and filing. When requests for the text of an item are received, the microfiche files are manually searched, the desired fiche is pulled, copied on specialized microfiche/photocopy machines, and then refiled until the next request. We now have over 169,000 microfiche of public policy materials.

What's Wrong with the Current System?

1. Response time is too long and is increasing:

   When the system was designed, and for the first decade of operation, the goal was to send the item requested within 3-4 days--the best possible turn-around time one could expect given the technology available in 1974.

   However, the equipment which produces paper copy from the microfiche is now almost ten years old. It malfunctions an estimated 30% of the time and repair call frequency is increasing. In addition, spare parts are available only from other "junked" machines, as this equipment and replacement parts are no longer manufactured. As a result, the present turnaround time has lengthened to one to two weeks and continues to deteriorate.

2. Number of subscribers cannot be increased:

   We have had to limit the number of congressional recipients to no more than 700 because the document production system is labor-intensive and the photocopy equipment cannot accommodate increased volumes. These limitations are magnified by the present unreliability of the equipment. However, our experience has shown that when we have opened access to the service in the past, congressional requests to be added to the SDI system increased by several hundreds in a fairly short time period, until it was necessary to impose a new ceiling.

3. Future of the document delivery capability is threatened by machine problems:

   The deterioration of the equipment used to produce copies of material could result in our having to delay, suspend or even discontinue the service. Thus, a replacement system must be planned and implemented within the next twelve to eighteen months if CRS is to continue to provide the full text of articles and documents efficiently and quickly, and to supply necessary resources for CRS analysts and librarians to use in responding to research and reference requests.

Description of the Optical Disk Equipment Request. CRS' participation in the Library's Optical Disk Pilot Project has demonstrated that we could not only replace the current document storage and retrieval system, but also provide improved and expanded service in the future. Thus, we are requesting $704,000 for dedicated scanning, retrieval and printing devices needed to run the CRS document delivery system. The equipment will operate as part of a Library-wide system, utilizing other optical disk equipment located in the Automated Systems Office. Some of that centralized equipment is already owned by the Library, some is also requested in this budget ($570,000).

The following is a list of the equipment needed and the purpose of each item:

page scanner
autopositioning microfiche scanner

> These two pieces of equipment are input devices, scanning original material which is in printed form (page scanner), or microfiche (microfiche scanner). This equipment will be located in CRS.

image storage subsystem
jukebox read/write unit
data compander

> These three units work together to record the material once it is scanned. First the information travels through the data compander, which compresses it for storage (and expands it when the information in retrieved at a later stage). Then the data is recorded to magnetic disk, where it can be checked for quality control and corrected. Lastly, the data is read to the optical disk and stored in the jukebox for future retrieval. All of this equipment will be located in the Automated Systems Office.

visual display unit
Xerox 4050 interface and printer
low-speed laser printer
cluster controller
telecommunications equipment

> This equipment constitutes the "output" side of the system. The visual display units are terminals, enabling users to search the disks located on the jukebox and view the images of requested materials; they will be located in various CRS divisions and Reference Centers. The Xerox 4050 will be the "production printer", and will provide hard copy for the larger number of requests resulting from the SDI card service; it will be located in CRS' Library Services Division. The laser printers will be attached to some of the visual display units to provide local printing for an individual user in the CRS Reference Centers. The cluster controller and telecommunications equipment will be located in the Automated Systems Office; they provide essential linkages which enable a system of distributed terminals and printers to work.

Question. What capacity will this equipment have beyond current need and what will be the additional equipment requirements in the next 2, 5, and 10 years.

Answer. In addition to replacing the current deteriorating system, the Library's experience with optical disk thus far suggests that there will be (1) short-range improvements to the existing service using optical disk, and (2) opportunities for expanded and additional services in the future.

In the short-range, optical disk should result in improved response capability, since many of the now manual operations, such as filing, searching, and batching, will be performed electronically in seconds. In addition, optical disk technology can make the optical quality of the disk images significantly better than the original, thus eliminating "unreadable" copies frequently produced by the current microfiche-to-photocopy system, particularly when articles include maps and other graphic images.

For the future, optical disk technology is the only option which provides possibilities for long-term enhancements. One long-range scenario might be to enable Members of Congress and their staffs to find, read and print the actual text of public policy literature--articles and documents--and CRS reports from terminals in their offices. Under this scenario, direct and immediate access to the CRS Bibliographic Data Base would have two very significant benefits: (1) no phone request for such materials would be necessary, which eliminates the time-consuming process of placing a request; CRS inquiry recorders could therefore focus efforts on the research and reference requests which require interaction; and (2) congressional staff would not have to wait to receive these documents. Because this sort of service enhancement will depend on the future improvements of software, hardware, and telecommunications technologies, it is not possible to anticipate precisely and in detail what equipment or staff might be required over the next decade.

Question. How long will it take and what will be the cost to convert the current SDI data to the optical disk format?

Answer. Since the greatest demand is for current materials, we are planning to continue to use the existing microfiche as long as possible, and concentrate resources on capturing new, incoming, items on the optical disk.

This spring, we will be simulating a production environment on the Library's test optical disk equipment in order to be prepared to adapt current procedures to optical disk. Part of this test will include an assessment of whether retrospective conversion is necessary, including estimates of the time and cost of such conversions.

Question. Please provide workload information on the SDI system for the last three years.

Answer. In 1984, 16,719 items were filmed for microfiche, representing some 251,700 pages of material. Approximately 95,700 items were requested that year, involving production of 1,722,600 pages of hard copy provided.

In 1985, 16,298 items were filmed, representing 264,800 pages. On the output side, requests for 93,000 items were filled, producing 1,674,000 pages of material.

In 1986, 13,284 items were filmed, or 237,763 pages. Requests for individual items numbered approximately 69,900, which consisted of 1,258,000 pages of material. During this year three Bibliographers left the staff; the hiring freeze in effect at the time prevented us from replacing them and resulted in our inability to examine and cite some of the materials needed for the data base.

These positions are in the process of being filled during fiscal 1987.

Central Services

Question. There is a request for 3 additional internal auditors. How many such auditors do you now have, and how many audits do they now perform? Provide this workload data for the last 3 years.

Answer. The Internal Audit Office currently has a staff of 6 (chief, four auditors, and an office assistant). Typically, an agency the size of the Library would have an audit staff more than twice that size. The Smithsonian with 4,170 employees has 13 auditors while the Office of Personnel Management has 44 auditors and 5,837 employees. The Library has approximately 5,300 employees.

In August 1983 a new Chief Internal Auditor was hired. Since that time, we have identified more than $383 million and in excess of 250 functional activities subject to audit within the Library. Some of the accomplishments since then have been:

FY 1984

Issued: 7 Audit Reports
Highlight: The Nitrate Film Conversion Program was not accomplishing its main objective--to convert the nitrate film and to quickly dispose of the copied nitrate film.

FY 1985

Issue: 21 Audit Reports
Highlight: Identified $116,000 of recoverable costs; $78,000 of potentially recoverable costs; $600,000 of costs which could have been avoided or savings incurred; $6.6 million of idle inventory and $250,000 of idle cash.

FY 1986

Issued: 50 Audit Reports
Highlight: In compliance with the GAO standards, the Internal Audit Office diversified its audit coverage and issued the following type reports.

. Efficiency and Economy Audits - 8

. Special Requests within LC - 4

. Special Requests outside of LC - 3

. Imprest Funds Review - 4

. Vulnerability Assessment/Risk Analysis - 4

. Audit Follow-ups - 16

. Time and Attendance Audits - 6

- Incentive Award Reviews - 5

Other Audit Results During This Period

- Staff abuse of time sheet reporting resulting in cash recovery and disciplinary actions.
- Abuse of travel rules and regulations requiring recoveries.
- Discrepancies in overseas office accounts involving recoveries, and disciplinary actions.
- Copyright Licensing Division accounting and controls.
- Review of the Karachi Field Office activities resulting in an endorsement of the efficiency and effectiveness of that program which is now presented in this budget for continuation as a dollar-base activity.
- Improvement of cash controls and accounting in the Photoduplication Service.
- Audit of a major contractor providing talking book machines which resulted in cash credits and changes in contract practices.
- Food Services audit concerning more effective use of personnel.

Question. What increases in workload do you anticipate that would require 3 new auditors? Why couldn't this work be done by the General Accounting Office (GAO)?

Answer. Our goal is to bring our Internal Audit Office up to a level whereby it satisfies those objections raised by the GAO in its report "INTERNAL AUDIT: Nonstatutory Audit and Investigative Groups Need To Be Strengthened, (June 1986)." While the Library of Congress was not included in the GAO review, we feel that their report addresses some of the problems we have been experiencing at the Library. Because of the size of our staff (1) some significant functions have not received independent audit coverage, (2) the audit resolutions and follow-up system is not being accomplished timely (though we have made great strides), and (3) the entire cycle of audits within the Library will take from 23 to 30 years to complete instead of from 5 to 7 years. As with other federal agencies, the General Accounting Office relies upon the agency's internal audit or Inspectors General staff to provide regular cyclical audits and does not, itself, perform such audits.

Copyright Office

Question. There is a request for $461,788 to fund 13 unfilled positions. What will this staff do and are there any unfunded positions in the 561 positions requested?

Answer. Six of the 13 positions will be used in the Cataloging Division, which produces the on-line copyright registration record for use by copyright constituencies. The goals are to reduce the overall cataloging workload to 40,000 claims, and to reduce the time to process and catalog documents to 1 to 2 months.

The remaining 7 positions will help reduce the time to process routine copyright claims to 4 to 5 weeks. Specifically, 3 positions are intended for the Mail Unit, 2 for the Examining Division, and 2 for the unit that numbers the claims and produces the 560,000 certificates annually.

Of the 561 positions requested, 38 are currently unfunded.

Question. Please describe the type of work the 3 new positions requested will do?

Answer. These 3 positions are intended for the Copyright Licensing Division. The two Accounting Technicians will prepare the royalty fees received from jukebox operators and cable television systems for deposit and investment in the U.S. Treasury on a daily basis. They will process refunds of royalty fees by determining that the payee and the amount of refund are correct. They will review and verify the daily remittance sheets, will prepare the Investment Summary, and post entries to the general ledger.

The Programmer will independently monitor all mechanical operations during processing and take prompt response to computer commands or unscheduled halts. In the case of program flaws, data errors, or equipment failures the programmer will initiate corrective action. Other responsibilities include analyzing system diagnostics, producing a variety of print files and making system enhancements as needed.

Congressional Research Service

Question. There is no request for additional staff beyond the 860 previously provided, however $2.7 million is requested to fill the equivalent of 32 vacant positions. How many of the 860 positions will remain unfunded if this request is approved? What vacancy ratio do you anticipate for FY 1988?

Answer. If the request for funds to reduce our present salary lapse is approved, we would maintain a vacancy rate of approximately 4.5 percent in FY 1988. Thus, the equivalent of 39 full-time equivalent (FTE) positions would remain vacant during the year. This would permit us to fill many positions during the year they become vacant.

Question. What workload measures have lead to this request? How is that work being handled now?

Answer. Since 1980, CRS' authorized staffing level has decreased from 868 positions to 860 positions. Over the same period of time, our workload has increased from 340,500 requests in 1980 to 433,600 requests in 1986. Our ability to manage a 27 percent increase in workload with a decrease in staffing level has been dependent on maintaining a well-trained, flexible, and innovative staff. Lack of money to keep these positions filled threatens that capability. In the short term, we have experienced some deterioration of timeliness and thoroughness in our service to the Congress. This means that all requests get answered, at least in part; but for some we are unable to provide as complete a response as we would like. As a result, the Congress is getting less in services than needed or desired. In the long term, it can undermine the structure we have found so effective in providing support to Members, committees and congressional staff.

Books for the Blind and Physically Handicapped

Question. Please explain the increase of $632,200 in the rent request.

Answer. In FY 1987, a reprogramming request of $650,000 was approved by the Congress to permit the partial payment of space rental costs associated with the National Library Service for the Blind and Physically Handicapped to be paid from that appropriation. Previously, these costs had been paid from a central Space Rental account funded from the Salaries and Expenses, Library of Congress appropriation. The $650,000 approved in FY 1987 represented approximately half of the annual lease costs of a building at 1291 Taylor Street, N.W., Washington, D.C., in which the National Library Service for the Blind and Physically Handicapped is located. The $632,000 requested represents the balance of the annual cost.

Question. Please describe the reasons for the nearly 40% increase in the request for needles and spare parts? What steps might be taken in the future to reduce this requirement?

Answer. The cost of cassette machine repair parts from Japan has increased 28 percent as a result of the devaluation of the dollar versus the yen from approximately 240Y:$1 at the time the budget justifications were written. The exchange rate is now 150Y:$1 (or a 60 percent increase) and predicted to headed for 145-148Y:$1 (Washington Post, p. D2, 3/24/87).

In addition, the Library of Congress no longer receives a discount of from 5 to 15 percent from the supplier for purchasing repair parts in quantity. Also, since 1981 when this account was last increased through reprogramming, there has been a total of 29.4 percent inflation, based on the Consumer Price Index.

It has always been National Library Service policy to retrieve usable spare parts from machines no longer feasible to repair; this will be continued. Otherwise, there is little that can be done to reduce the amount of funds requested as the factors producing the requested increase are beyond the control of the Library of Congress.

Furniture and Furnishings

Question. A major increase in the Furniture and Furnishings account, of $2,356,000, is related to the completion of Phase I of the renovation of the Jefferson and Adams Buildings. What is the total estimated cost and over what period of time will these funds be required?

Answer. The total estimated cost of furniture and equipment for the renovation/restoration project is estimated at $13,731,000.

Depending on the length of the construction project the funds will be expended over a four or five year period of time.

Question. How much of this requirement is for routine replacement of furniture and equipment that has outlived its usefulness and how much is for upgrades or new procurements of items that you did not previously own?

Answer. The total increase requested for furniture and equipment is $1,611,000. Of this amount, sixty-eight percent, or $1,099,300 is needed to satisfy requirements to provide routine replacements of equipment which have lost their usefulness and which, by FY 1988, will be necessary to provide the current level of service. The remaining $511,700 is requested to provide equipment throughout the Library which is not presently available but which is necessary to allow operational units to service staff and patrons efficiently.

Question. Why is $136,000, to maintain the current level of operation, and $115,000, due to growing workloads required to replace microfilm equipment when much information is being converted to optical disk.

Answer. The requests for microfilm equipment is supported by the need to replace equipment which is presently, or soon to be, unserviceable due to age and heavy use, or to provide eqiupment which is presently lacking in the Library but necessary to access materials in microfilm/fiche formats and to accommodate increased reader demand. The information being converted to optical disk is currently not duplicative and, therefore, does not diminish the need for microfilm equipment. Additionally, due to the lengthy conversion process to optical disk format, it is not anticipated that microfilm equipment requirements will be appreciably reduced in the near future.

The Library has operated for the past ten years on a policy of acquiring materials in microform format whenever available. Optical disk applications will not eliminate the need for access to this material in microfilm format. Therefore, it is critical that this equipment be available for patron and staff use in order to accommodate access needs as long as materials are available only in film/fiche formats.

ADMINISTRATIVE PROVISIONS

Question. An increase of $34,275, from $101,390 to $135,665 is requested for expenses of attendance at meetings. Please provide a list of the meetings attended in FY 1986 and those planned in FY 1987, along with the title of staff attending.

Answer. The following meetings were attended in FY 1986:

MEETING	STAFF TITLE
Processing Department	
American Library Association Midwinter	Assistant Librarian for Processing Director for Cataloging Coordinator for Cooperative Subject Cataloging Projects Chief, Subject Cataloging Chief, Shared Cataloging Chief, Technical Processing & Automation Instruction Chief, Serial Records Chief, Descriptive Cataloging Policy Chief, Cataloging in Publication Chief, Cataloging Distribution Service Head, Audiovisual Section, Special Materials Cataloging Assistant Chief, Serial Records
Society of American Archivists	Head, Manuscript Section, Special Materials Cataloging
Music Library Association Conference	Senior Music Cataloger
Seminar on Acquisition of Latin American Library Materials	Coordinator, Hispanic Acquisitions Section
Committee on East Asian Libraries	Head, Japanese Language Section, Shared Cataloging
Special Libraries Association	Head, Social Science Section, Subject Cataloging Head, Customer Service Section, Cataloging Distribution Service
American Association of Law Libraries	Law Classification Specialist Senior Descriptive Cataloger Subject Cataloger

MEETING	STAFF TITLE
Processing Department (Continued)	
American Library Association Annual	Assistant Librarian for Processing
	Director for Cataloging
	Director for Acquisitions & Overseas Operations
	Assistant to Director for Cataloging
	Chief, Subject Cataloging
	Chief, Shared Cataloging
	Chief, Technical Processing & Automation Instrustion
	Chief, Order Division
	Chief, MARC Editorial
	Chief, Cataloging in Publication
	Chief, Serial Records
	Chief, Descriptive Cataloging Policy
	Chief, Cataloging Distribution Service
	Assistant Chief, Order Division
	Assistant Chief, Serial Records
	Assistant Chief, Decimal Classification
	Senior Descriptive Cataloger
	Senior Automation Planning Specialist
	CONSER Operations Coordinator
	Assistant Coordinator for Cataloging Projects
	Head, Audiovisual Section, Special Materials Cataloging
	Head, Humanities Section I, Subject Cataloging
	Head, English Language Section, Descriptive Cataloging
	Head, Shelflisting Section, Subject Cataloging
	Head, Children's Literature Section, Subject Cataloging
American Society for Information Science	CONSER Operations Coordinator
	Head, Network Development & MARC Standards Office
	Assistant Chief, Order Division
National American Serial Interest Group	Chief, Serial Records
Conference on Contemporary Ukraine	Subject Cataloger, Social Science Section

MEETING	STAFF TITLE
Processing Department (Continued)	
Western Library Network Conference	Chief, Cataloging Distribution Service
Computer Dealers' Exposition	Senior Systems Analyst, Cataloging Distribution Service
Association of Computing Machinery	Computer Systems Analyst Supervisory Computer Specialist
Research Services Department	
African Studies Association	Head, African Section, African & Middle Eastern Division
American Association for Advancement of Slavic Studies	Area Specialist for Czechosoloviakia & East Europe, European Division Area Specialist for Poland & East Europe, European Division Reference Librarian, European Division
American Library Association Midwinter	Director for General Reference National Preservation Program Specialist (2) Preservation Microfilming Officer Assistant Preservation Microfilming Officer Reference Specialist, General Reading Rooms Head, Government Publications Section, Serial & Government Publications Division
American Library Association Annual	Assistant Director for Preservation Head, Data Preparation & Files Maintenance Section, Geography & Map Division Chief, Collections Management Public Services Officer, Collection Management Division Chief, General Reading Rooms Reference Specialist, General Reading Rooms

MEETING	STAFF TITLE
Research Services Department (Continued)	
American Library Association Annual (Continued)	Chief, Loan Division Chief, Science & Technology Divison
Association for Study of Afro-American Life & History	Reference Specialist (Afro-American History Literature), General Reading Rooms Division
Association of Asian Studies	Assistant Chief, Asian Division
Bibliographical Society of America	Chief, Rare Book & Special Collections Division Head, Reference & Reader Services Section, Rare Book & Special Collections Division
Committee on South Asia Libraries	Head, Southern Asia Section, Asian Division
Conference on Research in Dance	Dance Reference Librarian, Performing Arts Library, Kennedy Center
Council of Archives & Research Libraries in Jewish Studies & Association of Jewish Libraries	Head, Hebraic Section, African & Middle Eastern Division
Institute of Paper Conservation	Conservator (Paper), Preservation Office
International Association of Music Libraries	Head, Reference & Reader Services Section, Music Division
International Association of Sound Archives	Head, Curatorial Section, Motion Picture Broadcasting & Recorded Sound Division
International Conference of Europeanists	Area Specialist for French/Italian, European Division
Middle East Studies & Middle East Librarians Association	Area Specialist for Turkey, African & Middle Eastern Division

MEETING	STAFF TITLE
Research Services Department (Continued)	
Organization of American Historians	Historian, Manuscript Division
Society of American Archivists	Head, Reference & Reader Section,Manuscript Division
Special Libraries Assosiation	Head, Reference & Bibliography Section, Geography & Map Division Assistant Chief, Prints & Photographs Division
Law Library	
American Association of Law Libraries	Law Librarian Chief, American-British Law Division Chief, European Law Division Chief, Hispanic Law Division Chief, Near Eastern & African Law Division Assistant Chief, Far East Law Division Head, Collections Service Office Head, Law Library Reading Room Legal Specialist (2) Legal Research Analyst Assistant Reference Librarian (2) Head, Subscription & Microfilm Section
Middle East Studies Association	Chief, Near Eastern & African Law Division
American Library Association Annual	Chief, Far Eastern Law Division
Workshop in Fundraising for Law Librarians	Special Assistant to Law Librarian
Automated Systems Office	
American Society for Information Science	Systems Analyst
American Library Association Annual	Associate Librarian for Management
National Capitol Area Computer Measurement Group	Computer Programmer

MEETING	STAFF TITLE
Automated Systems Office (Continued)	
Computer Operations Managers Conference	Chief, Computer Service Center
Association for Computing Machinery	Systems Analyst
Computer Measurement Group	Computer Performance Analyst
National Programs	
American Library Association Midwinter	Children's Literature Reference Specialist Executive Officer
Library of Congress Network Advisory Committee	Executive Director, Federal Library & Information Center Committee
Music Library Association	Ethnomusicologist
Museum Shops Association	Sales Shop Manager
Special Library Association	Assistant Librarian for National Programs
American Association of Museums	Registrar of Exhibits Traveling Exhibits Coordinator
American Library Association Annual	Assistant Librarian for National Programs Executive Officer Chief, Children's Literature Center Children's Literature Reference Specialist Information Officer
Management Services	
American Society for Industrial Security Seminar	Electronics Engineer
National Urban League Conference	Chief, Equal Employment Opportunity Complaints Office
National Association of Purchasing Management	Chief, Procurement & Supply Divison
Conference of Puerto Rican Women	Hispanic Program Coordinator

MEETING	STAFF TITLE
Management Services (Continued)	
National Rehabilitation Association	Handicapped Program Coordinator
American Society for Industrial Security	Electronics Engineer
Association of Government Accountants	Assistant Accounting Officer
Federally Employed Women Training Program	Federal Women's Program Manager
Office of The Librarian	
American Library Association Midwinter	Deputy Librarian Director, Collections Development Office
American Library Association Annual	Deputy Librarian Director, Collections Development Office Director, Planning & Development Office
Association of Research Libraries Annual	Deputy Librarian
Association of Research Libraries Midwinter	Deputy Librarian
Institute of Internal Auditors	Chief Internal Auditor
American Folklife Center	
American Folklore Society	Director Head, Archive of Folk Culture Folklife Specialists (2) Reference Librarian
Society for Ethnomusicology	Folklife Specialist
Music Library Association	Archivist
Film & Folklore Festival, University of California, Los Angeles	Folklife Specialist (Media)

MEETING	STAFF TITLE
Copyright Office	
Classification & Compensation Society	Senior Administrative Officer
American Library Association Midwinter	Assistant Register Chief, Cataloging Division Chief, Information & Reference Division
American Productivity Association	Writer/Editor
American Library Association Annual	Chief, Information & Reference Division Head, Public Information Office Copyright Cataloger (6) Bibliographer
Federal Bar Association	Attorney (10)
American Bar Association	Register of Copyrights
Amusement & Music Operators Association	Public Affairs Analyst
National Cable Television Association	Head, Accounting & Records Section
Congressional Research Service	
American Association for Advancement of Science	Analyst in National Defense
American Association of Law Liraries	Specialist in Automated Resources
American Association of Teachers of Spanish	Head, Language Services Section
American Bar Association	Director
American Chemical Society	Specialist in Life Sciences
American College of Toxicology	Analyst in Life Sciences
American Economic Association	Analyst in Public Finance Assistant Chief, Economics Division Senior Specialist International Economics Specialist in Economic Policy (2)

MEETING	STAFF TITLE
Congressional Research Service (Continued)	
American Economic Association (Continued)	Specialist in Industrial Organization (2)
	Specialist in International Trade & Finance (2)
	Specialist in Labor Economics
	Specialist in Public Finance (2)
	Specialist in Social Legislation (Methodology)
American Institute of Mining, Metallurgical & Petroleum Engineers	Analyst in Industry Economics
	Research Assistant
American Library Association	Administrative Team Leader
	Assistant Director for Special Programs
	Chief, Library Services Division
	Collections Development Officer
	Head, Congressional Documents Unit
	Reference Librarian
	Reference Specialist (5)
	Resources Development Officer
	Resources Development Specialists (2)
	Specialist in Automated Resources (2)
American Meteorogical Association	Specialist in Marine Sciences
American National Metric Council	Analyst in Science & Technology
American Planning Association	Analyst in Housing
American Political Science Association	Research Assistant
	Senior Specialist in American National Government (2)
	Specialist in American National Government (9)
	Specialist in Social Legislation (Methodology) (3)
American Probation & Parole Association	Specialist in American National Government
American Society for Information Science	Senior Specialist in Information Policy

MEETING	STAFF TITLE
Congressional Research Service (Continued)	
American Society of Criminology	Specialist in American National Government
American Society of Public Administration	Senior Specialist in American National Government (2) Associate Director for Management Studies Specialist in American National Government (2)
Association of Public Policy Analysis Management	Senior Specialist in American National Government
Federal Bar Association	Legislative Attorney (3)
Food & Drug Law Institute	Analyst in Life Sciences (2) Specialist in Life Sciences
Institute of Electrical & Electronics Engineers	Specialist in Aerospace Policy
International Association of Teachers of Spanish	Head, Language Services Section
International Real Estate Institute	Senior Specialist in Housing
Joint Statistical Meeting	Specialist in Social Legislation (Methodology) (3)
National Academy of Public Administration	Senior Specialist in American National Government Specialist in American National Government (2)
National Conference of State Legislatures	Assistant Chief, Government Division
National Congress of American Indians	Specialist in American National Government
National Society of Rate Return Analysts	Senior Specialist in Energy Economics Specialist in Energy Policy
Society of Risk Analysts	Analyst in Science & Technology

MEETING	STAFF TITLE
Congressional Research Service (Continued)	
Special Library Association	Chief, Congressional Reference Division Reference Specialist (2) Senior Team Leader, Reference Services Specialist in Information Control Specialist in American National Government Team Leader, LaFollette Reading Room Senior Team Leader, Reader Services
Transportation Research Board	Specialist in Transportation (3)
National Library Service for the Blind & Physically Handicapped	
American Library Association Midwinter	Chief, Network Development
American Library Association Annual	Chief, Network Development
American Production & Inventory Control Society	Head, Production Control Section
Institute of Electrical & Electronics Engineers	Chief, Material Development Division
Music Library Association	Head, Music Section
National Federation of the Blind	Director

The following meetings have been or are scheduled to be attended in FY 1987:

MEETING	STAFF TITLE
Processing Services	
American Library Association Midwinter	Chief, Cataloging in Publication
	Chief, Serial Records
	Chief, Descriptive Policy
	Chief, Shared Calatoging
	Chief, Subject Cataloging
	Chief, MARC Editorial
	Chief, Descriptive Cataloging
	Assistant Supervisor, Marketing Unit, Cataloging Distribution Service
	Assistant Chief, Serial Records
	Coordinator for Cooperative Subject Cataloging Projects
Music Library Association	Automated Operations Coordinator, Special Material Cataloging
National Federation of Abstracting & Indexing Services	Head, National Serials Data Program
American Library Association Annual	Assistant to Director for Cataloging
	Chief, Descriptive Cataloging Policy
	Chief, Descriptive Cataloging
	Chief, Order Division
	Chief, Shared Cataloging
	Chief, Cataloging in Publication
	Chief, MARC Editorial
	Chief, Serial Records
	Chief, Decimal Classification
	Assistant Chief, Serial Records
	Coordinator for Cooperative Subject Cataloging Projects
	Head, Audiovisual Cataloging Section
American Society for Information Science	Chief, Network Development & MARC Standards Office

MEETING	STAFF TITLE
Processing Services (Continued)	
Association for Asian Studies	Head, Chinese-Korean Language Section, Descriptive Cataloging Division
Seminar on Acquisition of Latin American Library Materials	Head, Hispanic Acquisitions Section, Exchange & Gift Division
American Association of Law Libraries	Senior Descriptive Cataloger (Law Specialist) Descriptive Cataloging Division
Society of American Archivists	Head, Manuscript Cataloging Section, Special Material Cataloging Division
Research Services	
African Studies Association	Head, African Section, African & Middle Eastern Division
American Association for Advancement of Slavic Studies	Area Specialist for Poland & East Europe, European Division
American Library Association Midwinter	Assistant Director for Preservation National Preservation Program Specialist Reference Specialists, General Reading Rooms (2) Senior Specialist in United Nations International Documents, Serial & Government Publications Head, Loan Reference Section, Loan Division Chief, Loan Division.
Association for Asian Studies	Director for Area Studies Acting Chief, Asian Division Head, Chinese & Korean Section, Asian Division
Bibliographical Society of America & American Printing Historical Association	Chief, Rare Book & Special Collections Division Head, Reference & Reader Services Section, Rare Book & Special Collections Division

MEETING	STAFF TITLE
Research Services (Continued)	
Chamber Music Society	Music Specialist, Music Division
Conference on Research in Dance	Dance Reference Librarian, Performing Arts Library, Kennedy Center
Middle East Studies & Middle East Librarians Association	Head, Near East Section, African & Middle Eastern Division
Music Library Association	Reference Librarian, Music Division (2)
Sonneck Society	Music Specialist, Music Division (2)
Society for History of Discoveries	Assistant Chief, Geography & Map
Society of Motion Picture & Television Engineers	Assistant Head, Laboratory Services Section, Motion Picture, Broadcasting & Recorded Sound
South Asia Microform Project & Committee on South Asia Libraries & Documentation	Head, Southern Asia Section, Asian Division
American Library Association Annual	Director for Area Studies Chief, Collection Management Division Automated Reference Services Specialist, General Reading Rooms Preservation Microfilming Officer Assistant Preservation Microfilming Officer National Preservation Program Specialist
Law Library	
Middle East Studies Association	Chief, Near Eastern & African Law Division
Association of American Law Schools	Special Assistant to Law Librarian
Association for Asian Studies	Chief, Far Eastern Law Division

MEETING	STAFF TITLE
Law Library (Continued)	
American Association of Law Libraries	Law Librarian Chief, American-British Law Division Chief, Hispanic Law Division Legal Research Analyst
Automated Systems Office	
Institute of Electrical & Electronic Engineers	Chief, Engineering Planning & Development Office
National Computer Graphics Association	Senior Communications Engineer
American Library Association Midwinter	Associate Librarian for Management
Computer Measurement Group	Senior Systems Analyst
Intellect User Group	Senior Computer Programmer Computer Systems Analyst
Association for Information & Image Management	Senior Communications Engineer
American Library Association Annual	Associate Librarian for Management
National Programs	
National Association of Government Communicators	Information Officer
Special Library Association	Assistant Librarian for National Programs
American Association of Museums	Registrar of Exhibits Traveling Exhibits Coordinator
Association of American University Presses	Director of Publishing
National Council for International Visitors	Educational Liaison Specialist

MEETING	STAFF TITLE
National Programs (Continued)	
American Library Association	Assistant Librarian for National Programs Executive Officer Chief, Children's Literature Center Children's Literature Reference Specialist Information Officer
Management Services	
National Association of Purchasing Management	Chief, Procurement & Supply
National Urban League	Chief, Equal Employment Opportunity Complaints Office
Position Classification & Compensation Society	Position Classification & Organization Officer Assistant Position Classification & Organization Officer
American Society for Personnel Administration	Director, Personnel & Labor Relations
National Restaurant Association	Head, Facilities Management Section
National Fire Protection Association	Safety Officer
Office of The Librarian	
American Library Association Midwinter	Deputy Librarian Director, Collections DevelopMent Office
American Library Association Annual	Deputy Librarian Director, Collections Deveopment Office Director, Planning & Development Office
Association of Research Libraries	Deputy Librarian
Institute of Internal Auditors	Chief Internal Auditor

MEETING	STAFF TITLE
American Folklife Center	
American Folklore Society	Director Deputy Director Head, Archive Folklife Specialists (2) Archivist
Society for Ethnomusicology	Folklife Specialist
Copyright Office	
American Bar Association	Chief, Information & Reference Division Bibliographer
National Association of Broadcasters	Register
Copyright Society	Attorney (6)
Federal Bar Association	Attorney (3)
American Library Association Annual	Chief, Cataloging Division Chief, Information & Reference Division
American Bar Association, Washington	Attorney
American Bar Association, San Francisco	Register Assistant Register
Amusement & Music Operators Association	Assistant Chief, Licensing
National Cable Television Association	Assistant Chief, Licensing
Congressional Research Service	
American Association for Advancement of Science	Senior Specialist in Science & Technical Policy Specialist in Aerospace & Technical Systems Analyst in Science & Technology
American Bar Association	Director
American Economic Association	Assistant Chief, Economics Division

MEETING	STAFF TITLE
American Institute of Mining, Metallurgical & Petroleum Engineers	Senior Specialist in Mineral Economics Specialist in Industry Economics
American Library Association Midwinter	Assistant Director for Special Programs Chief, Library Services Division Collections Development Officer
American Society of International Law	Specialist in International Affairs
American Society of Public Administration	Specialist in American National Government Associate Director for Management Studies
Center for Migration Studies	Specialist in Immigration Policy
Latin American Association	Specialist in Latin American Affairs
Middle East Institute	Analyst International Trade & Finance
Midwest Political Science Association	Specialist in American National Government
National Academy of Public Administration	Senior Specialist in American National Government Specialist in American National Government (2)
National Association of School Public Affairs	Senior Specialist in American National Government
National Tax Association	Specialist in Public Finance (3)
Northeast Political Science Association	Assistant Chief, Government Division
Transportation Research Board	Specialist in Transportation
American Political Science Association	Attendees not yet selected

MEETING	STAFF TITLE
Congressional Research Service (Continued)	
American Library Association Annual	Attendees not yet selected
Federal Bar Association	Attendees not yet selected
Special Library Association	Attendees not yet selected
National Library Service for the Blind & Physically Handicapped	
American Library Association Midwinter	Chief, Network Division
American Library Association Annual	Chief, Network Division Network Consultant
Association for Educational Communications & Technology	Assistant Director
Institute of Electrical & Electronic Engineers	Chief, Material Development Division
National Federation of the Blind	Director

NOTE: In some cases, the expenses are partially funded.

General

Question. What are the Library's current information needs that are key to developing your telecommunications policy?

Answer. The Library's key information needs as they related to developing our telecommunication's policy fall into several catagories:

First, the Library is mainly an information generating and processing organization. Therefore, our primary telecommunications needs center around data and image communication rather than voice communications.

Secondly, the technology which is available to information processors such as the Library is changing and developing constantly. Therefore, the Library's telecommunications systems must be as flexible and expandable as possible to allow us to effectively utilize appropriate new technology needed to do our jobs.

Finally, flexible automation and telecommunications tools can only be effectively managed by the Library when we are able to make decisions and effect commitments in a timely manner. If we are constrained by organizational agendas or schedules outside of our control, then, despite having first class tools we cannot hope to deliver first class products to those we serve. Our current telecommunications plan fully reflects this approach.

Question. What is the status of your telecommunications planning?

Answer. The Library's telecommunications planning has been proceeding in two major activity areas. We have been planning for the implementation of a comprehensive wire and fiber optic system transmission system.

Switching System: On January 12, 1987, The Librarian of Congress advised both the Chairman of the Senate Committee on Rules and Administration and the Architect of the Captiol of the Library's desire to acquire a digital switch to provide for voice, image, and data communication throughout our three Capitol Hill buildings and with our major clients, the Congress, other libraries, and the scholarly public. It was the Library's intention to accomplish this by riding the contact developed by the U.S. House of Representatives. It was also the Library's intention to use funds available to it for this procurement in amounts that do not exceed current telecommunication costs. In this way, the Library anticipated receiving substantially superior service within the current level of expenditure.

On February 11, 1987, The Librarian was advised by the Staff Director of the Senate Committee on Rules and Administration that the Chairman of the Committee preferred that the Library await the final telecommunications study being performed by the Architect of the Capitol before proceeding with the acquisition.

Wiring System: The Library, and its contractor AT&T, are completing the final design drawings and specifications (March 20, 1987) for the combined copper wire and fiber optic cable wiring system referred to as the Library's Premise Distribution System (PDS). We intend to immediately continue our planning by using this system design as input into an Implementation Plan which will detail how and when each part of the total system is to be installed. We anticipate beginning actual installation of selected parts of the wiring system by September 1987.

Question. Are you coordinating your needs in this area with the Architect of the Capitol? Are you satisfied with his support?

Answer. Library staff are participating with the Architect's staff and the contractor to complete the telecommunications planning study as effectively and quickly as possible. Given our current understanding of the thrust of the study's direction, we are concerned that the study reflect the Library's primary telecommunications needs which are mainly internal Library data communications. We do believe that the Architect and his staff are making a good faith effort to carry out the task given to him. It is too early in the study to appreciate how this effort will affect the Library's ability to meet its objectives.

Question. On March 6, 1987, you wrote to the Committee informing us of your intention to participate in an optional accelerated pay grade plan for certain clerical positions. This plan is being offered by the Office of Personnel Management. And there is also an issue of the rate of pay for the Library Special Police. Please give us the details of your current plans in both areas and how you propose to fund any necessary increase in salary expense?

Answer. Special higher salary rates have been authorized by the Office of Personnel Management (OPM) for certain designated clerical positions located in the Washington, D.C., metropolitan area. The positions affected are those of clerk-typist, clerk-stenographer, data transcriber and others that have typing requirements of 40 words per minute or require stenography. These positions are at the GS-2 through the GS-7 level.

The Library is included in the authorization to pay the new salary rates established by OPM and it is anticipated that the new rates will become effective on April 13, 1987, which is the beginning of the first full pay period in April. It is estimated that 471 positions will be affected. The cost of the higher salary rates for the remainder of FY 1987 is approximately $283,000. The Library expects to absorb these additional costs by lowering overall employment levels in FY 1987. Because of the higher fringe benefit rates in FY 1988 and full year costs of the higher rates, the Library may have to submit an FY 1988 supplemental request for these additional costs.

Mrs. Oakar has introduced H. R. 1872, a bill to change the title of employees designated by the Librarian of Congress for police duty, to make the rank structure and pay for such employees the same as the rank structure and pay for the Capitol Police, and to amend the Omnibus Crime Control Act of 1968 to make such employees eligible for public safety officers' death benefits.

H. R. 1872 was referred to the House committee on House Administration and to the House Committee on the Judiciary on March 31, 1987. If H. R. 1872 becomes enacted, the Library expects to absorb all additional costs in FY 1987 by lowering overall employment levels. A supplemental request in FY 1988 may be requested to cover the full year costs in FY 1988.

Question. Update us on the status of your book deacidification project using diethyl zinc (DEZ). Has your schedule changed from that provided to the Committee in a memorandum dated August 26, 1987? How much has been spent to date, how much is included in the FY 1988 budget, and what is the total anticipated cost?

Answer. The book deacidification project has moved forward this past year benefitting greatly from the engineering difficulties has been carefully reorganized to manage it internally and staffed externally with new personnel and new contractors to take on the task of developing the engineering for implementing the design of the full scale facility at Fort Detrick. The pilot facility which will precede the design of the full scale facility has been contracted for with Texas Alkyls, and S&B Engineering of Houston, Texas. The design and construction of the facility is going smoothly and we hope to have this facility in operation in the fall of 1987. The schedule for having the main facility in operation is still 1990 and there is every expectation barring unforseen difficulties that this will happen. Attachment No. 1 shows how much we have spent on the project starting in FY 1981 through FY 1986. Part of the funds expended during this period was for engineering development at NASA's laboratory at Goddard Space Flight Center, and in our own laboratory at the Library of Congress. Commencing in 1985 monies were obligated from the $11.5 million appropriation for design of the building and vacuum chambers for the deacidification facility at Fort Detrick. In FY 1987 we have obligated to date $1.4 million towards the design and building of a pilot facility in Houston, Texas. Our plan for obligation of the balance of the $10.9 million is shown in Attachment No. 2, which coincides with project schedule shown in Attachment No. 3. The FY 1988 budget request does not include any funds for construction of the deacidification facility at Fort Detrick. However, there is a $350,000 item which pays for research and development costs relating to the project which has been a line item in the budget for a number of years. The total anticipated cost of the facility is still $11.5 million and it is our projection based on current information that we should be able to complete the facility for this cost.

Library of Congress
Chronology of DEZ Project Funding

10/21/86

Question: Provide amounts appropriated and obligated on DEZ project since inception by fiscal year. Provide sources of funding and purposes of obligations.

Response: As follows:

	FY81	FY82	FY83	FY84	FY85	FY86
LC, S&E Annual						
Appropriation	$ -0-	$ -0-	$350,000	$ 350,000	$350,000	$350,000
Reprogramming	196,116	318,337	531,221	914,000	375,800	5,000
Total Funding	$196,116	$318,337	$881,221	$ 1,264,000	$725,800	$355,000
Obligations	196,116	318,337	881,221	1,264,000	725,800	355,000
LC, S&E X-Year						
Appropriation				$11,500,000		
Obligations				-0-	$ 77,900	$286,000

FY81 - $196,116

$196,116 reprogrammed from salary savings to provide for large scale feasibility test of vapor-phase, mass treatment process to be performed by NASA.

FY82 - $318,337

$318,337 reprogrammed from salary savings and Preservation program to complete the feasibility test of diethyl zinc mass deacidification process to be performed by NASA.

FY83 - $881,221

1) $350,000 (PL 97-276 Continuing Appropriations for Fiscal Year 1983) for continuation of DEZ small scale testing by NASA/Goddard.

2) $531,221 reprogrammed from salary savings for continuation of DEZ small scale testing by NASA/Goddard and for the costs of a complete plant design including specifications, working drawings, firm costs estimates, and bid documents.

FY84 - $1,264,000

1) $350,000 (PL 98-51 Legislative Branch Appropriations Act, 1984) for continuation of DEZ small scale testing and for expanded experimental program which included five additional small scale runs, and pilot plant equipment specifications and 5,000 book chamber configuration.

2) $914,000 reprogrammed from space rental, preservation and salary savings provided for:

a) $88,000 for expansion of experimental testing program including five additional small-scale runs. (See FY84 1) above)

b) $307,000 to Army Corps of Engineers for architectural engineering design of Ft. Detrick plant.

c) $119,000 to NASA/Goddard/Northrup Services to continue development of chemical process system as related to optimum plant design.

d) $400,000 to NASA/Goddard/Northrup for five additional program elements for chemical systems module test, instrumentation development, recirculation blower test, drying test, and pilot plant test to support engineering design of chemical process system.

FY85 - $725,800 Annual $77,900 X-Year

1) $350,000 (PL 98-367 Legislative Branch Appropriations Act, 1985):

a) $215,300 set up new pilot plant test facility that would more closely mirror configuration of operating plant and to operate facility for two experimental runs.

b) $134,700 to Northrup Services to provide management and engineering support for the construction of main DEZ facility.

2) $375,800 reprogrammed from salary savings for:

a) $243,800 to Northrup Services to provide management and engineering support for the construction of main DEZ facility.

b) $120,000 for thermotron air-cooled temperature/humidity test chamber, controlled irradiance xenon arc weather-ometer with control, and a radiometer.

c) $12,000 for Northrup to conduct in-depth study on the particulate emissions of zinc oxide, Gollob Analytical Service to perform gas chromatograph concentrated mass-spectral analysis of DEZ processed samples, and Hazards Research Corporation to perform detonation potential testing of DEZ material.

3) $77,900 (PL 98-396 Supplemental Appropriations for Fiscal Year 1984)

a) $1,400 for travel.

b) $76,500 to reimburse Army Corps of Engineers Baltimore for review of A/E plans and design documents and for costs of subsurface soil investigation, laboratory testing prior to foundation design.

FY86 - $355,000 Annual $286,000 X-Year

1) $350,000 (PL 99-151 Legislative Branch Appropriations Act, 1986):

a) $208,000 for pilot plant engineering development testing of mass deacidification system.

b) $35,000 for DEZ plant equipment.

c) $17,500 to Kevex Corporation for emergency repairs and maintenance of DEZ testing equipment.

d) $31,800 for review of pressure vessels, vacuum vessels, piping, plans, procedures for statistical quality control, and review of thermal/vacuum chamber specifications.

e) $57,700 for hazard review of DEZ facility, analyze laboratory samples, preliminary safety review of vacuum chamber, and evaluation of treated paper for toxilogical studies.

2) $5,000 reprogrammed from salary savings for travel.

3) $286,000 (PL 98-396 Supplemental Appropriations for Fiscal Year 1984)

a) $1,000 for travel.

b) $2,600 for rental of computer equipment.

c) $92,600 to Northrup Services to provide management and engineering support for the construction of DEZ facility.

d) $800 for computer software.

e) $25,000 to Army Corps of Engineers Baltimore to increase the design scope to include a quality assurance lab and redesign DEZ storage area.

f) $164,000 to Texas Alkyls to provide management and technical support.

Library of Congress Deacidification Program Estimated Costs and Obligation Times For Specific Projects

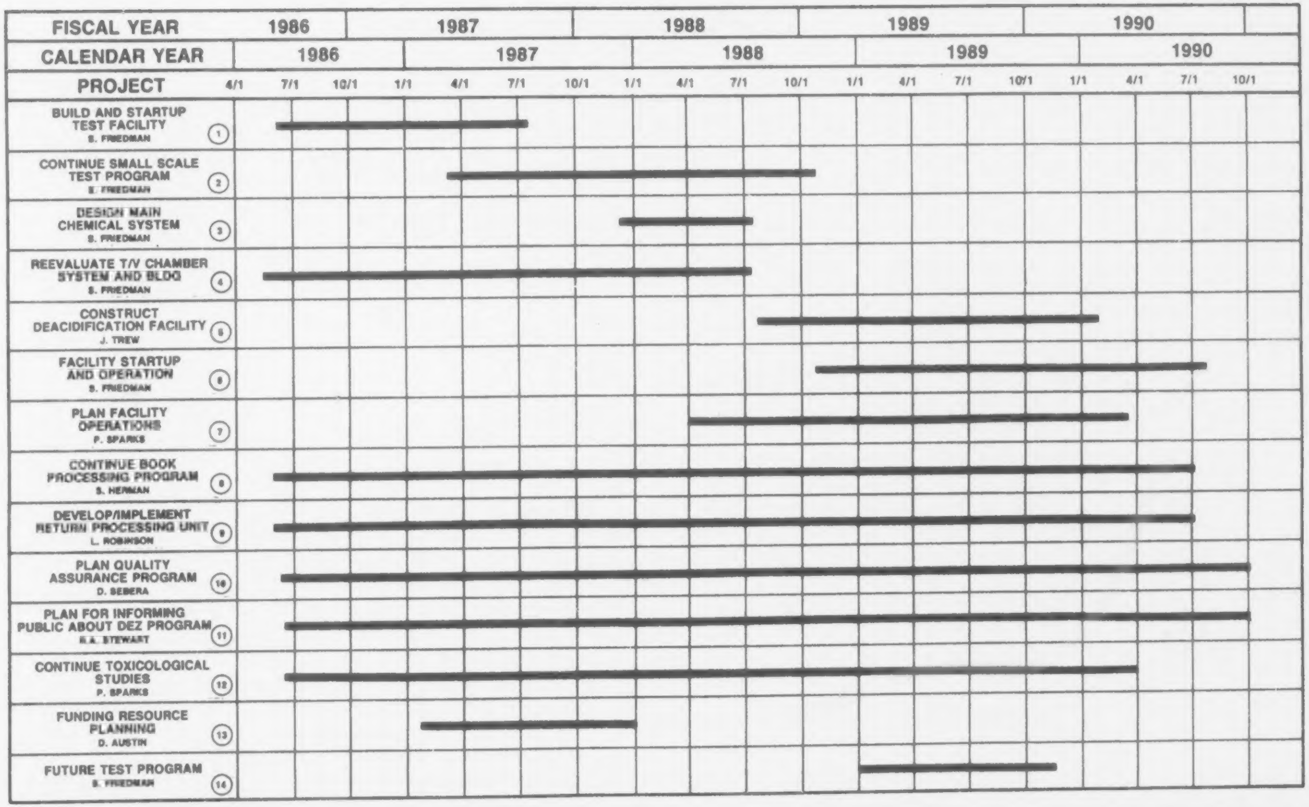
(All Numbers Expressed in Thousands)

PROJECT NO.	PROJECT DESCRIPTION	FY 1986 (10/1 1/1 4/1 7/1 10/1)	FY 87 (4/1 10/1)	FY 88 (4/1 10/1)	FY 89 (4/1 10/1)	FY 90 (4/1 10/1)	TOTAL ESTIMATED COSTS
1	DESIGN & BUILD TEST FACILITY	38 ▼	40 ▼ 1370 ▼				1450
2	TEST PROGRAM		820 ▼				820
3	SCALE-UP MAIN CHEMICAL PLANT		150 ▼				150
4	REVISE MAIN FACILITY DESIGN			100 ▼			100
5	CONSTRUCT FT. DETRICK FACILITY				7000 ▼		7000
6	STARTUP FT. DETRICK FACILITY				150 ▼		150
8 & 9	BOOK HANDLING		10 ▼	10 ▼			20
—	PURCHASE EQUIPMENT & FURNISHINGS FOR MAIN FACILITY		120 ▼		500 ▼ 660 ▼		1280
		38	2510	110	8310		10,970
						CURRENT $ IN BUDGET	10,990

LIBRARY OF CONGRESS

DEACIDIFICATION PROGRAM

MASTER SCHEDULE



Question. What progress have you made in reducing the backlog of complaints in the Equal Employment Opportunity Complaints Office? How many are currently pending?

Answer. The growth of the backlog of discrimination complaints has been brought under control; however, it has yet to be eliminated. Additional management steps have been taken to speed up the processing of EEO complaints. An outside contractor, RBP Associates, has been engaged to review the total EEO complaint processing system in the Library, including analysis of patterns and trends and estimated cost factors associated with typical processing steps and stages. The work under this contract has been recently completed and a draft report with recommendations for reducing the complaint backlog at the Library, has been received and is undergoing review.

The Equal Opportunity Complaints Office has 166 complaints currently pending.

Question. Provide a three year history of the number of complaints carried over, complaints filed, and complaints disposed of during each year. Also, provide a characterization of the complaint type.

Answer. The record indicates that there has been a decrease in the number of complaints filed; the statistical data for fiscal years 1984, 1985, 1986 and 5 months of 1987 are as follows:

	1984	1985	1986	1987 (as of 2/28/87)
Complaints pending, start of year...	140	169	160	147
New complaints received............	128	114	107	51
Total workload.....................	268	283	267	198
Complaints resolved................	99	123	120	32
Complaints pending, end of year.....	169	160	147	166

a) Of the 128 cases received in 1984, 53 were race complaints; 15 were sex complaints; 8 were physical or mental handicap; 3 were sexual harassment; 35 were reprisal complaints; and 5 complaints were not Title VII based.

b) Of the 114 cases received in 1985, 46 were race complaints; 15 were sex complaints; 4 were national origin complaints; 12 were age complaints; 11 were physical or mental handicap; 2 were sexual harassment; 12 were reprisal complaints; and 12 complaints were not Title VII based.

c) Of the 107 cases received in 1986, 50 were race complaints; 11 were sex complaints; 2 were national origin complaints; 15 were age complaints; 9 were physical or mental handicap; 1 was sexual harassment; 7 were reprisal complaints; and 12 were not Title VII based.

d) Of the 51 cases received for the five months of 1987, 25 were race complaints; 5 were sex complaints; 2 were national origin complaints; 3 were age complaints; 2 were physical or mental handicap; 2 were sexual harassment; 9 were reprisal complaints; and 3 were not Title VII based.

The primary issues of the complaints were promotion, nonselection for positions, adverse actions, written warnings, reduction-in-force and harassment.

Question. Describe what actions you are currently taking, or plan to take, in FY 1988, to reduce this backlog. And what steps are planned to reduce the number of complaints being filed?

Answer. The Library has committed itself to the development and implementation of a systems plan for improving the effectiveness of its EEO program and program operations. In April 1985 the Library contracted with RBP Associates to conduct a detailed EEO program analysis. The analysis on the status of EEO complaints, processing and operations has been included in the RBO Associates' draft report. This draft report has just been received and its recommendations are currently under review.

Questions from Senator Reid

Question. Mr. Ross, my staff has informed me that CRS responses to information requests are sometimes delayed because CRS analysts are no longer provided with an adequate supply of bills, hearing transcripts, etc. You have asked for a budget increase of over $6 million. With this increase will the CRS be able to overcome this information shortage?

Answer. CRS obtains copies of hearings, committee prints, and Senate and House reports and documents in two ways: some are received from the Library's Exchange and Gift Division, and others are purchased. The number received from Exchange and Gift has decreased as Congress has reduced its own printing budget. This was compounded by significant reductions in our own funds necessitated by Gramm-Rudman-Hollings cutbacks in FY 1986. The FY 1988 budget request includes requests for increases in three categories which, if granted, will improve our ability to acquire these materials and enable us to provide analysts with the materials they need: Printing, Publications ($ +13,300), Offset Reproduction ($+9,500), and Books and Library Materials ($+239,800).

Question. Mr. Ross, I am also concerned about overlapping research efforts on the part of CRS, GAO, OTA and CBO. I understand these four agencies take a different approach to the subject matter. Nevertheless, it seems to me that reducing duplication of effort might also lead to a reduction in spending. What sort of procedures are currently in place to coordinate research efforts among these four agencies. Do you believe further coordination might be useful?

Answer. We believe that substantial coordination is occurring amoung the four agencies and that the mechanisms in place are adequate and effective in avoiding unnecessary duplication and, therefore, avoiding unnecessary costs. We have many procedures in place, both formal and informal. The following is a list of some of these procedures.

1. The Research Notification System (RNS) is designed to enable CRS analysts and division management to check before initiating a project to confirm that no other support agency has already undertaken a project which would meet the requesters' needs. The RNS is produced by CRS with data supplied by CBO, CRS, GAO and OTA, and it is supplied to each of the other agencies for their use to avoid duplication.

2. The Interagency Liaison Group comprised of senior management officials of each agency meets approximately every six weeks to discuss studies initiated since the previous meeting. Each study is reviewed for: (a) the potential for direct duplication; (b) related studies by another of the support agencies which would contribute to the research; (c) existing data bases maintained by another agency which would support the effort; and (d) the appropriate amount of staff consultation.

3. Meetings of analysts from all four support agencies which focus on key issues before the Congress are held approximately every two months. Over the last year, for example meetings were held on the following topics: civil service retirement, financial services, space issues, farm programs, immigration, health care, liability insurance and drug issues. Through these meetings the staffs of the agencies become better acquainted and have substantive discussions on legislative issues, and create the basis for ongoing formal and informal communication between analysts.

4. The Agency Heads met to discuss coordinating activities twice in FY 1986 and as recently as February, 1987.

5. A list of contact people by subject area from each of the agencies is updated quarterly and circulated to analysts and management in all four agencies to encourage staff to consult with their colleagues.

6. All four agencies require senior management review of all major studies which with the other mechanisms described above provide substantial assurance against duplication and maximization of resources. Our collaboration has resulted in: (a) cancellation of requested work in instances in which the requesters' needs could be addressed by work already done in a sister agency; (b) dividing requests or referring requests to another support agency with agreement of the requesting office; and (c) collaborating on joint or complimentary studies where appropriate and timely.

Question. Mr. Ross, I am interested in the structure of CRS seminars. I understand the subject matter included in seminars require students to possess very little prior knowledge of the issue under consideration. These seminars are very good for staff who wish to become familiar with an issue. However, I wonder if these same seminars are useful to staff who have been on the Hill for a number of years. With all the considerable talent available to CRS, would it be possible to offer seminars at various levels of complexity and detail? Could you look into implementing such a system and report back to the Chairman with your findings?

Answer. CRS offers a seminar, workshop and institute program that is designed to meet congressional needs at a variety of levels. Some programs are directed at providing basic information for staff who do not have prior knowledge of issues or procedures; others bring together staff to discuss issues involved in the subject matter at an advanced level. A more detailed explanation of the various levels offered is provided below:

Seminars fall into two categories: those which focus on issues of current interest to a general congressional audience, and those which are more specialized and presume subject matter expertise on the part of the congressional participants.

CRS has found the general seminar to be an extremely resource-conserving and cost-effective way of providing an overview briefing to large numbers of congressional staff. We make extensive use of this approach when there is widespread interest, and when congressional staff need to obtain a basic level of understanding on issues they are not involved with on a day-to-day basis.

Specialized seminars, drawing on prior knowledge of the subject matter, are also offered by CRS. During such events the discussions, particularly during the question and answer period, require a deeper understanding of the topic in order to fully participate. Examples of such seminars are The Farm Credit Problem; The Liability Insurance/Civil Liability Controversy; Oversight and Investigations; and Gramm-Rudman-Hollings Effects on Natural Resource Programs; and The CRS Federal Law Update, a series of discussions on Federal Law covering such topics as constitutional law, civil rights law, and administrative law, presented primarily for congressional staff who are attorneys.

CRS Research Workshops bring together a small number of discussants, consisting of CRS analysts, Congressional staff, and experts from the private sector. Congressional participants are generally those who are involved in the issue on a day-to-day basis, and the discussions are not intended to provide basic information to the staffer who is new to the issue. The proceedings from presentations and discussions at these sessions are sometimes published as committee prints.

Twenty-two Research Workshops were held in fiscal year 1986. Examples include the Education Policy Forum series, held monthly; the Science Policy Roundtable, which held a series of meetings on such topics as: the Role of Bioethics in Public Policy Decisionmaking, the Emerging World Information Economy, and Contributions of the Office of Naval Research to U.S. Science; Natural Resources Management as a Basic for Sustainable Development in Africa; Soviet Oil Price Implications; and Environmental Protection and Cost-Benefit Analysis.

CRS Legislative Institutes offer comprehensive training in the legislative process. They are presented as a series, consisting of three events of progressively complex considerations of legislative procedure:

The Legislative Institute for Member and Committee Staff is a one-day overview for staff relatively new to their legislative responsibilities.

The Advanced Legislative Institute, for graduates of the one-day overview, provides detailed sessions on raising measures for floor consideration, the amending process in the House and Senate, and the resolution process between the two chambers. Legislative examples are drawn from the Congressional Record which analyze the congressional budget process in operation.

The Graduate Legislative Institute (the "CRS Congress"), for legislative staff with a detailed understanding of the politics and procedures in the chamber for which they work, is a three-day exercise in which participants assume the role of a "Member of the CRS Congress" and move legislation through the legislative process. This is an intensive and strictly participatory program with CRS specialists and others serving as substantive, parliamentary, and legal advisors. Congressional staff must attend an Advanced Legislative Institute as a prerequisite to participating in this CRS Congress.

Public Policy Institutes are held at the beginning of every Session to provide an overview and update on issues likely to be considered during that Session. Some forty-seven separate seminar sessions were held last year on topics ranging from banking to trade.

Member Seminars are advanced seminars structured to emphasize discussion between presenters and attending Members in an off-the-record setting which offers an atmosphere of nonpartisanship and objectivity.

In addition to the advanced presentations, noted above, our senior analysts frequently provide consultations for congressional staff, and, if there is sufficient interest, such sessions could be considered as possible seminars or workshops. We would be happy to explore with the Committee and its staff any suggestions you may have for targetting such presentations.

Questions from Senator Grassley

Question. In your testimony you have indicated that additional funds are needed to reduce the lapse factor at the Congressional Research Service and the Copyright Office. Could you explain for the Subcommittee what the lapse factor is and how it will assist you in filling existing positions?

Answer. The lapse factor is the difference between the total amount of funding necessary to fill all of the authorized positions and the amount of funding actually appropriated. Because of this, some authorized positions must be left vacant.

When one takes into consideration the normal personnel turnover and the customary time it takes to fill vacant positions, a lapse factor of approximately 4.5% can be handled as normal. But when the percentage becomes higher, the Library is forced to delay the posting of vacant positions for longer periods of time until adequate funds are generated to fund the position. This results in positions in urgently needed subject areas from being filled promptly.

The requested reduction of the lapse factor in the Copyright Office would permit the filling of approximately 13 positions, 7 in the registration processing units and 6 in the Cataloging Division.

In the Congressional Research Service, recruiting for approximately 35 positions, mostly in the analyst/specialist positions, could be initiated.

Furniture and Furnishings

Question. Funding for new furniture and furnishings for the Adams and Jefferson Buildings was stretched-out over several years in FY 1987. I notice that you are requesting $5,781,000 in FY 1988, which still leaves you short of the overall request of $13.7 million. You indicated that these funds are needed to proceed with Phase II of the renovation of the Adams and Jefferson Buildings. Could you be more specific regarding the relationship of these funds and initiation of Phase II? What would be the effect of stretching these funds over an additional fiscal year?

Answer. The $5,781,000 requested for FY 1988, will be used to procure furniture and furnishings for Phase I space to be completed in the Thomas Jefferson and John Adams Buildings as well as some specialty furnishings to be used in both Phase I and Phase II space that can be most economically purchased all at one time. The remaining increment of the $13,731,000, in the amount of $4,525,000, will be used to complete the furnishings of Phase II space in both buildings. It is possible this amount may be divided and appropriated in fiscal years 1989 and 1990.

Deacidification Program

Question. Please provide for the record how funds have currently been spent and your proposed cost schedule.

Answer. Attachment 1 details expenditures of funds on the deacidification program starting in FY 1981 through FY 1986. Part of the funds expended furing this period were for engineering development at NASA's laboratory at Goddard Space Flight Center and in our own laboratory at the Library of Congress. Commencing in FY 1985 monies were obligated from the $11.5 million appropriation for design of the building and the vacuum chambers for the deacidification facility at Ft. Detrick. In FY 1987 we have obligated to date $1.4 million toward the design and building of a pilot facility in Houston, Texas. Our plan for obligation of the balance of the $10.9 million is shown in Attachment 2 which coincides with the project schedules shown in Attachment 3. The project timetable and our fiscal obligation timetable represent our best estimate at this point in time on completion of the construction projects that will allow us to commence deacidification operation in the middle of 1990.
[Note: Attachments 1, 2 & 3 referred to in the above answer are inserted in the record along with a similar question submitted by Senator Bumpers.]

Optical Disk Program

Question. What further research and experimentation will be performed with the funds requested for FY 1988.

Answer. The funds requested for FY 1988 are specifically intended to begin use of optical disk technology as an eventual replacement for the obsolete document delivery system now employed in the Congressional Research Service (CRS). The technical feasibility of optical disk as a storage medium for high quality document facsimiles has been demonstrated. The challenge now is to achieve system reliability and performance necessary for use in the high volume document capture and delivery system required by CRS in their service to the Congress. Some additional funds have been requested for the costs of a special videodisk for the Library's Prints and Photographs Division. This videodisk would contain thousands of photographs which have been previously requested by researchers and which, if readily accessible from a videodisk, would save much time for researchers and minimize the deterioration which accompanies the frequent handling of original photographs. Additionally, the videodisks are for the most part "self service" and can be used without staff assistance, thereby allowing staff to serve other researchers with other needs. The Library also hopes to use funds for contract expertise to perfect our research techniques for determining disk longevity and to help us conduct the research and evaluate the results. This research is critically needed for the Library to project how long disks will last, determine optimum storage environments, and develop measures that can predict optical disk failure in time for us to copy the contents to new disks. In brief, this research is essential to devising a management plan for maintaining large optical disk collections.

Question. How soon do you expect this program to be available for widespread utilization through the Library of Congress?

Answer. The technical feasibility of widespread utilization through the Library of Congress has been demonstrated. The question now is economic feasibility. Movement in the direction of feasibility is taking place very rapidly as the adoption of optical disk technology by publishing, the consumer electronics, and the data processing industries accelerates, bringing higher demand and reduced costs. Optical disks come in many forms, from widely accepted and popular compact audio disks to the lesser known, but more functional, larger, and more expensive "write-once" optical disks. There is also extensive research underway designed to produce eraseable disks. Each of these types of disks will likely find widespread use in the Library. The Library has begun to use and produce compact audio disks ("cds"), and has already determined "cds" to be the "best edition" in our collection of sound recordings. The Library has begun to use as reference tools commercially created "compact disk read only memories" (CD-ROMS) which contain alphanumeric text. The Library will begin to produce CD-ROMS of its own alphanumeric text in the next two years and use them throughout the Library. Videodisks, another type of optical disk, are now used in the Prints and Photographs Division and the Motion Picture, Broadcasting, and Recorded Sound Division. The Library hopes to manufacture another videodisk in FY 1988 to assist the research use of additional collections in the Prints and Photographs Division. Within the next five years, the Library hopes to place more high resolution optical disk terminals in reading rooms, as the cost of this equipment and associated telecommunications equipment decreases. Additionally, the Library hopes to use optical disk technology to replace aging and obsolete document delivery systems in the Congressional Research Service, beginning with equipment that could be purchased with appropriations requested in FY 1988.

In sum, with incremental growth in the installed digital facsimile data base produced by the Library, with reduced costs of equipment and with modest increases in appropriations, the Library could expand optical disk technology to a significantly larger capability within a decade.

Question. What do you estimate will be the cost of developing the optical disk program to a point that it could be used throughout the Library of Congress?

Answer. As publishing, consumer electronics, and data processing industries adopt optical disk technology, the costs will drop very quickly because of the increased demand, and retrieval capacity will grow dramatically. An example of this is the compact audio disk player market where players costing more than $1,000 two years ago are now replaced with players having greater capabilities for less than $150. Similar cost reductions can be shown in digital facsimile capture and optical disk storage equipment, which is at the heart of much of the exploratory work done by the Library of Congress. These rapid changes make it difficult to estimate with any precision the cost of fully configuring the Library of Congress for widespread use of optical disk technology over the next decade. On the positive side, the costs are likely to be much less if the system is gradually expanded from year to year, rather than through the acquisition of all needed equipment in one near term fiscal year. Conservatively, an estimate of one million dollars annually, beginning in FY 1989, after the system expansion called for in the Library's FY 1988 request, would allow for an increase of scanners, optical disks, jukeboxes, terminals, printers, and controlling devices sufficient to enlarge the data base by thousands of articles and increase the user stations by at least fifty per year. At the end of a decade, then, the library would have more than 500 optical disk retrieval stations, and hundreds of thousands of articles (including thousands expected from publishers who adopt optical disk). Some of this annual cost would be offset, however, by savings in release of other computer terminals and, other expenditures. More importantly, however, service will be revolutionized. The Library could have in place a system which could receive and make immediately available to its users internally created digital images of high use items and also images from other libraries and from published sources.

Question. Do you foresee the utilization of the optical disk beyond the Library of Congress? If so, what role will the Library play in a wider application of the technology?

Answer. The Library foresees an active publication program in optical disk. This has already come to pass for compact audio disks and videodisks. 1987 should see increased publication of "compact disk read only memories" ("CD-ROMS") which are favored by publishers of large data bases and multi-volumed works such as encyclopedias and dictionaries. Journal articles are also predicted to emerge on optical disks in the near future and some publishers have already manufactured trial disks to be used on a pilot basis in libraries.

In anticipation of this future, the Library established an informal advisory committee consisting of prominent librarians and publishing communities. Many publishers are monitoring our project, which has served as a model for other projects around the world. Where possible, the Library will acquire commerically published disks and to that end actively encourage outside production. The Library does not wish to compete with the private sector, but rather to supplement private sector efforts. We foresee a bright future for optical disk technology in publishing, in library work, and in government agencies and in industries involved in the storage of vast quantities of information for very long periods of time.

Purchase of Books

Question. Your request for this account is $5,372,000, an increase of $856,000 over FY 1987. The justification to the committee indicates that these funds are necessary to maintain purchasing power for books. How many books or materials will be purchased with these funds? How do these levels compare with FY 1987? If the increase was not provided what would be the impact on the purchase of these materials.

Answer. In FY 1988 no additional materials will be purchased with the $5,372,000; we expect to purchase approximately the same level as in FY 1987 because the $856,000 increase was requested to offset the drastic decline in the value of the U.S. Dollar versus major foreign currencies. In FY 1987 we expect to purchase approximately 100,000 books, 400,000 serial and periodical issues, 8,000 reels of microfilm, 170,000 microfiche, and 34,000 pieces of other forms of library materials. The preponderance of these purchases are foreign materials. If this increase is not provided, the Library's collections will suffer the serious loss of substantial numbers of essential materials of research value such as approximately 18,000 books and 100,000 serial and periodic issues.

Positions

Question. Your FY 1988 request seeks an additional 69 authorized positions for the Library, plus an adjustment of the lapse factor to permit the filling of positions within the Congressional Research Service and the Copyright Office. To assist the Committee, could you provide for the record some indiciation of the positions that are of presssing nature and need to be filled?

Answer. The Library's request for 69 positions is divided into three categories: Permanent positions (51); indefinite positions (4); and special and temporary positions (14).

The new budgeted positions are requested for the following purposes:

1. In the Research Services Department, 5 positions are required to maintain and service the collections, 2 positions are to meet the needs of public reference service in the general reading rooms, and 3 positions are to improve cataloging and control of the Library's collection of sound recordings.

2. In the Law Library, 3 positions are needed to provide for the prompt sorting, arranging and filing of the records and briefs of cases filed in the U. S. Court of Appeals Circuits, for the timely maintenance of loose-leaf services and for improved maintenance in the Law Library Reading Room.

3. In the Preservation Office, 1 position is to provide adequate staff to handle the greatly increased workload for the Library's preservation information program in the United States.

4. In the Automated Systems Office, 4 positions are needed to support the introduction and maintenance of microcomputer technology into the various Library departments, 5 positions are to provide additional generalized information retrieval and storage capabilities, 16 positions are to modernize programming in certain existing automated applications and to overtake and expedite the development of already identified new applications, and 5 positions are to properly staff primary missions of the Systems Assurance Office.

5. In the National Programs Department, 1 position is needed to meet the increased demand for reference and reader services in the area of children's literature.

6. In the Librarian's Office, 3 positions are required to conduct more audits on a timely basis, to respond to special requests, and to audit adequately the funds over which the Library has responsibility.

7. In the Copyright Office, 1 position is needed to maintain and modify the automated system implemented in FY 1987 and 2 positions are required to handle the additional workload directed by the Copyright Tribunal. These 3 positions will not result in an increased appropriation because the funding is to be derived from collections during FY 1988 under 17 U. S. C. 111(d)(3) and 116(c)(1).

Four indefinite positions are requested by the Processing Services Department, for a period of three years, to undertake the review and revision of the cross reference structure of the Library of Congress Subject Heading list (LCSH).

The Research Services Department has requested the equivalent of 14 special and temporary positions to meet the growing workload of servicing reader requests and to cover the 50 percent expansion of the deck areas, to house the collections since the opening of the Madison Building.

Our request to adjust the lapse rate of the Congressional Research Service would permit the initiation of recruitment procedures to fill several analyst/specialist positions in the following subject areas: International Trade, Civil Rights, International Security Affairs, Public Finance, Soviet Strategic Forces, Education, Income Maintenance, Industry Analysis and Finance, Social Legislation, Missile Systems, Nuclear Industry, Health Care Financing, Soviet Conventional Forces, Intergovernmental Relations, Antitrust Law, Water Resources, Foreign Affairs, Information Support, Securities Law, International Law, International Trade, and Biotechnology. In addition to the above, we need to fill vacant Library Technician, Reference Librarian, and Bibliographer positions.

Reduction of the lapse factor in the Copyright Office would permit the filling of 7 positions in the registration processing units and 6 positions in the Cataloging Division.

In both the Copyright Office and the Congressional Research Service, the reduction of the lapse factor would permit currently authorized, but vacant and unfunded, positions to be filled.

Telecommunications

Question. The Library has been directed to participate in the Hill-wide telephone system. Some agencies have made a determination regarding the system they will select. When will such a decision be made by the Library? What will be the cost to the Library of installing the system?

Answer. On January 12, 1987, The Librarian of Congress advised both the Chairman of the Senate Committee on Rules and Administration and the Architect of the Capitol of the Library's desire to acquire a digital switch to provide for voice, image, and data communication throughout our three Capitol Hill buildings and with our major clients, the Congress, other libraries, and the scholarly public. It was also the Library's intention to accomplish this by riding the contract developed by the U. S. House of Representatives. It was also the Library's intention to use funds available to it for this procurement in amounts that do not exceed current telecommunication costs. In this way, the Library anticipated receiving substantially superior service within the current level of expenditure.

On February 11, 1987, The Librarian was advised by the Staff Director of the Senate Committee on Rules and Administration that the Chairman of the Committee preferred that the Library await the final telecommunications study being performed by the Architect of the Capitol before proceeding with this acquisition.

Automated Systems Support

Question. During the FY 1987 Budget Hearings it was stated that the Library was "in the process of receiving proposals from expert consultants" to look at the long range automation needs of the Library and that a report would be available in a year. What is the status of that report? Please submit a copy of the report for the record.

Answer. The Library did receive proposals late in FY 1986 for initiating a strategic data planning effort. Arthur Young & Company won the competition for this award and work started in October 1986. The report on this strategic data planning effort is due in late summer of 1987.

Question. Is your request of an increase of $1,320,000 for the purchase of additional mainframe capability related to this long range plan? What will be purchased with these funds? When do you anticipate that this mainframe capability will be exhausted?

Answer. The Library of Congres currently has two large mainframes, an IBM 3033AP and an IBM 3084. The IBM 3033AP was installed in July 1982, and the IBM 3084 was installed in March 1985, both replacing older equipment in the Automated Systems Office. The upgrade will consist of replacing the 3033AP machine with one of larger capacity than the 3084. The work now processed on the 3084 will be moved to the new machine, and the old 3033AP work will be moved to the 3084. The replaced machine will be transferred to another agency or surplused; it will not remain at the Library of Congress.

With so many of the Library's staff dependent for the execution of their functions on the automated systems, increased reliability is essential. The 3033AP and 3084 are not completely compatible since, among other things, they run on different versions of IBM's operating software. With this acquisition, we would also have a much greater degree of backup whenever there is down time on one of the two machines. Based on the experience with our last three mainframe acquisitions, this new hardware would last 6-7 years.

This additional mainframe capacity requested in the FY 1988 budget is to meet immediate future needs--1988. The request reflects the impact of projected growth of the current systems, data bases, and transaction load. This is based on close monitoring of the 3084 since March 1985. The long range strategic data plan that we are developing deals with the direction that the Library will take with its information systems over the next 5-10 years. It is premature at this time to predict what the impact of that planning effort may be on hardware requirments in the 1990's. In any case, the development efforts necessary to implement that long range plan would not impact on our hardware procurement budget in FY 1988 or FY 1989.

Question. Is your request for $842,423 for additional workstations integrally related to the purchase of this additional mainframe capability?

Answer. Our request for $842,423 for additional workstations is not related to the purchase of this additional mainframe capability. We expect to support these additional workstations even with the current mainframe. Futhermore, if all or part of the request for additional workstations is not approved, we would still need the additional mainframe capability. The number of workstations is only one factor among many which generates significiant increased capacity requirements for the mainframe computer.

Copyright Office

Question. What is the current backlog of claims in the

Copyright Office? In terms of time, what does this backlog represent in terms of delay in the processing of claims? What is an acceptable delay and backlog in the processing of claims? Will the addition of the 13 positions that your are requesting reach these goals? If not, what would be required to reach those objectives?

Answer. The Copyright Office has steadily growing backlogs in two areas.

First, processing a routine registration has increased since January 1986 from 5 weeks to almost 8 weeks. The real problem is that the processing time will continue to climb indefinitely. Our objective is to reduce this to 4 to 5 weeks, and to maintain that level. Achieving this goal will require about 7 positions in the Mail Unit, the Examining Division, and the Registration Numbering Unit, none of which benefited directly from automation.

Second, the workload on hand in the Cataloging Division was 49,000 claims in 1985 and has now exceeded 60,000. Also, the staff levels in the division fell from 106 in 1979, when the staff cataloged 459,000 claims, to 96 employees in 1986, when it cataloged 560,000 claims.

Our objective is twofold. One of the requirements of the copyright law is to record documents detailing the sale and transfer of copyrights. This information is extremely important to those engaged in copyright commerce worldwide. The time to process these documents has been reduced from 6 months to below 4 months by borrowing staff from other parts of the Cataloging Division. However, permanent staff is needed in the Documents Section to reduce processing time to between 1 and 2 months, and to keep it there.

The second goal is to reduce the overall backlog in the division to approximately 40,000 claims.

The 13 positions will enable us to achieve and maintain these goals over the next year or two. However, as the future workload increases, other measures will have to be taken.

Current Services

Question. The proposed budget indicates that $21,305,309 will be required to maintain Current Services. This is even higher than the FY 1987 request of $17.9 million. Could you provide a breakdown of that request?

Answer. The request for a Current Services increase of $21,305,309 is shown as follows:

Annualization of FERS contribution................	$ 8,257,000
Ingrades..	4,623,203
Restoration and Renovation......................	2,356,000
Annualization of pay raise......................	1,585,800
Optical disk equipment..........................	1,274,000
Books and library materials.....................	915,800
One extra day...................................	701,170
Other services..................................	506,207
Preservation of materials.......................	494,200

Supplies and materials	383,300
Rent, utilities and communication	275,400
Furniture and furnishings	183,300
Data processing equipment	169,614
Annualization of pay raise (Foreign local staff)	83,400
Travel and transportation	80,350
Printing and reproduction	76,390
Accident compensation	46,903
Pakistan program	15,274
Subtotal	$22,027,311
Less: Offsetting collections	722,002
Total, Current Services	$21,305,309

Senator BUMPERS. Thank you, Dr. Boorstin, and members of your staff for appearing this afternoon.

SUBCOMMITTEE RECESS

Senator BUMPERS. This subcommittee will stand in recess until the next call.

[Whereupon, at 3:40 p.m. Wednesday, March 4, the subcommittee was recessed to reconvene at 10 a.m. Thursday, March 5.]

LEGISLATIVE BRANCH APPROPRIATIONS FOR FISCAL YEAR 1988

THURSDAY, MARCH 5, 1987

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, DC.

The subcommittee met at 10:10 a.m. in room SD–124, Dirksen Senate Office Building, Hon. Dale Bumpers (chairman) presiding.

Present: Senators Bumpers, Reid, and Grassley.

ARCHITECT OF THE CAPITOL

STATEMENT OF GEORGE M. WHITE, ARCHITECT OF THE CAPITOL

ACCOMPANIED BY EMANUELE CRUPI, BUDGET OFFICER

OPENING REMARKS

Senator BUMPERS. The subcommittee will come to order.

Our first witness this morning is the Capitol Architect, George M. White.

George, we are anxiously awaiting your testimony. If you can summarize your remarks, it will be helpful to us. If you cannot, we will be understanding. Your entire statement will be placed in the record, in any event. So please proceed.

BUDGET REQUEST

Mr. WHITE. Thank you, Mr. Chairman. I will indeed summarize. I have a short summary statement, and then I will be glad to respond to any questions that you may have.

The total appropriation request for 1988, Mr. Chairman, is $136,710,000, which includes funding for 2,070 positions. It represents a net increase of $30,068,000 over the fiscal year 1987 total of $106,642,000. Actually, as stated differently, the gross increases requested are $43,349,000, which have been reduced by nonrecurring fiscal year 1987 program reductions amounting to $13,281,000. If the House Office Buildings items are excluded, the $43,349,000 increase for 1988 reduces to $31,384,000, of which $17,567,000 is for Senate office buildings.

FOUR BASIC CATEGORIES

The increase falls into four basic categories. One is mandatory items, which total $6,390,400, or 15 percent of the increase. This category includes personnel benefits and premium pay items for existing positions, et cetera, all required by law.

Annual recurring maintenance totals 2 percent of the increase. This category is to finance normal maintenance responsibilities, such as repair and improvements to electrical, air-conditioning, and other mechanical systems, and so on. It is basically an inflationary increase on those normal maintenance items.

Cyclical maintenance totals 7 percent of the increase. I define this category as long-term maintenance items that arise only once in 10 or 20 years, such as roof repairs, sidewalk replacement, et cetera. So while they are maintenance items, they are long-term cycles.

Among the largest of those is the reconditioning of various air-conditioning systems in the Capitol Building for $400,000; repainting the Capitol dome and related exterior woodwork, $220,000; replacement of grates and drives on the coal-fired boilers at the Capitol Power Plant, $550,000; renovation of the electrical wiring and lighting in the Senate garage, $234,000; and a number of other items.

The last category is what we call continuing and initiating other programs, which amounts to 76 percent of the increase. Included in that category are funds for such programs as replacement of the PCB transformers, funds for which have been previously appropriated for a partial replacement; an energy management program, $1,325,000; various security needs in the Capitol complex amounting to slightly over $1 million; installation of two new elevators to provide additional service in the James Madison Memorial Library Building, $650,000; et cetera, which includes a number of items among which is a very large one entitled improvements to the Senate subway system. That is a $12 million item for which the Rules Committee has not yet given authorization but which has been requested conditioned upon that, in the event that the Rules Committee should so decide.

Included in this last category are improvements to the Longworth fire protection system, which is on the House side, but it turns out to be one of the major items. Buildingwide smoke detection and voice fire alarm systems in the Capitol and in the House Office Buildings is another large item.

I thought I should mention also, Mr. Chairman, that we have included pertinent language to increase the limitation of cost of House Resolution 550 from $7,959,000 to $8,799,000 to provide for 24 additional x-ray package inspection units. These units are deemed to be a critical addition to the building security program and have been recommended by the Capitol Police Board and the Chief of the Capitol Police.

WEST CENTRAL FRONT

The two other items that I would like to mention briefly, Mr. Chairman, are progress on two major projects. The West Front restoration is 94- or 95-percent complete. We expect all of the work to be finished by late this summer or early fall; that is, the scaffolding will begin to come down. We are over a year ahead of schedule and well under the budget.

RENOVATION OF LIBRARY BUILDINGS

The Library of Congress renovation and restoration of Thomas Jefferson and John Adams Buildings is progressing well also. We have completed all the milestone I work, and the major work in milestone II is underway at this time. Both projects are, as I mentioned earlier in the case of the West Front, either on or ahead of schedule and within the budgets. Detailed reports on those are included in our justifications.

There are two items for which a total of $2,947,000 are requested in supplemental funding. The first is $1,172,000 to cover pay increases authorized by law for civilian and Wage Board employees, and the second is $1,775,000 to fund the new Federal Employees' Retirement System, authorized by Public Law 99-335.

That concludes the brief summary, Mr. Chairman. I will be pleased to respond to any questions that you may have.

[The statement follows:]

STATEMENT OF GEORGE M. WHITE

In presenting our appropriations request for fiscal year 1988, Mr. Chairman, I intend to proceed, with your approval, in the same manner as has been the practice for the past several years, that is, to present a brief summary of the various requests, following which I will be pleased to respond in detail to questions regarding any of the specific items that you wish to pursue.

The justifications have been prepared, Mr. Chairman, to include all items pertaining to the "Architect of the Capitol," including House items, Senate items, joint items, and the Botanic Garden.

The total appropriation request for fiscal year 1988 is $136,710,000, which includes funding for 2,070 positions. This represents a net increase of $30,068,000 over the fiscal year 1987 total of $106,642,000. Stated differently, gross increases requested are $43,349,000 which have been reduced by nonrecurring fiscal year 1987 program deductions amounting to $13,281,000. If the item "House Office Buildings" is excluded, the $43,349,000 increase for 1988 reduces to $31,384,000, of which $17,567,000 is for Senate Office Buildings. The $43,349,000 increases fall into four categories, namely,

Mandatory Items, which total $6,390,400, or 15% of the increase; This category includes personnel benefits and premium pay items for existing positions and within-grade salary advancements authorized by law which total $2,439,400, and $3,951,000 for the new Federal Employees' Retirement System, authorized by Public Law 99-335.

Annual Recurring Maintenance, which totals $955,600, or 2% of the increase; This category is required to finance normal maintenance responsibilities, such as repairs and improvements to electrical, air conditioning and other mechanical systems; procurement of supplies and materials and equipment; and painting. Of the total increase of $955,600 approximately $459,000 represents inflationary increases.

Cyclical Maintenance, which totals $3,204,000, or 7% of the increase; As indicated in the past, I define this category as long term maintenance items that arise only once in ten or twenty years, such as roof repairs, sidewalk replacement and so forth. Some of the largest items, in monetary terms, requested under this category are the reconditioning of various air conditioning systems in the Capitol Building ($400,000), repainting the Capitol Dome and related exterior woodwork ($220,000), replacement of grates and drives on three coal-fired boilers at the Capitol Power Plant ($550,000), renovation of the electrical wiring and lighting in the Senate Garage ($234,000), renovation of the remaining hearing room speech reinforcement systems ($220,000), replacement of raised floor, HIS computer center, House Office Building Annex No. 2 ($150,000), exterior repairs to the James Madison Memorial Building ($200,000), and replacement of concrete sidewalks at various locations on the Capitol Grounds ($259,000). The remainder of $971,000 is required for several items for property and equipment maintenance and replacement.

The last category is Continuing and Initiating Other Programs, which totals $32,799,000, or 76% of the increase; Included in this category are funds for such programs as replacement of PCB transformers ($3,500,000); an energy management program ($1,325,000); various security needs in the Capitol Complex ($1,040,000); installation of two new elevators to provide additional service in the James Madison Memorial Library, ($650,000); funds for furniture and furnishings in the Hart Building, ($1,500,000); remodeling the main kitchen in the Dirksen Cafeteria ($1,050,000); improvements to the Senate subway system ($12,000,000); improvements to the Longworth fire protection, electrical power and telephone and data communication wiring systems, ($7,170,000); building wide smoke detection and voice fire alarm systems in the Capitol and House Office Buildings, ($575,000); and $3,989,000 for several other items.

At this time, Mr. Chairman, I thought it appropriate to mention that I have provided, through inclusion in the requested 1988 appropriations language for the Capitol Buildings, pertinent language to increase the limitation of cost of H. Con. Res. 550 from $7,959,000 to $8,799,000 to provide for twenty-four additional x-ray package inspection units. These units are a critical addition to our building security program, and have been recommended by the Capitol Police Board and the Chief of the Capitol Police.

I would also like to mention briefly two major projects and their progress. The West Front Restoration is 94% complete and we expect substantial completion of all work by November 1987. The Library of Congress Renovation and Restoration of the Thomas Jefferson and John Adams Buildings is progressing well. We recently completed all Milestone I work, and the major work in Milestone II, which is the Architectural, Mechanical and Electrical work is underway at this time. Overall, both projects are progressing on or ahead of schedule and within the budgets. Detailed reports on each project are included in our justifications.

Fiscal Year 1987 Supplemental Request

There are two items for which a total of $2,947,000 in supplemental funding is required. The first is $1,172,000 to cover pay increases authorized by law for civilian and wage-board employees, and the second is $1,775,000 to fund the new Federal Employees' Retirement System, authorized by Public Law 99-335.

Mr. Chairman, that concludes my brief summary and I shall be pleased to respond to questions that you and the Committee may have.

SENATE SUBWAY IMPROVEMENTS

Senator BUMPERS. Mr. White, the item in here which obviously sticks out, I think, and the one we want to explore in some detail, is the $12 million for improving the subway system. I think you will find 100 Senators in accord in trying to do something about the subway system. Could you describe for us precisely what you intend to do and give us some details of the cost of it?

Mr. WHITE. I will be glad to, Mr. Chairman. I might say in beginning, consideration of this matter goes back to 1984 when concern was raised about the quality of service in terms of waiting times and travel times and so on. It became apparent to us that since these cars are quite old now and in need of constant repair and that the replacement cost of the existing cars is estimated to be in the neighborhood of $3 million, it seemed desirable to look at alternatives, since all that would do is leave us where we are but with new cars.

Senator BUMPERS. Would that be for two cars?

Mr. WHITE. For two cars; yes.

We are talking primarily, of course, about the service to the Dirksen Building and to the Hart Building. There seems to be no problem with the other; it is a short run and the traffic does not seem to be as great.

Senator BUMPERS. The greatest incentive for moving to the Russell Building is 25 Senators have two subway cars at their disposal.

Mr. WHITE. That is correct.

Senator BUMPERS. Go ahead, George.

Mr. WHITE. So an investigation was made. Two reports were written. Consultants were hired, first to write a report, under our direction, of course, with regard to basic concepts. We then went further, under the direction of the Rules Committee, to determine greater detail as to costs and the specific proposal. That proposal was submitted to the Rules Committee and has been in consideration since last year.

The proposal is, in effect, to have a loop system instead of a shuttle system. The present shuttle, which means the car is simply moving back and forth, has limitations since you have to wait until the car comes back; whereas if you had a loop system, which means a continuous loop of cars—you could put four cars on, for example, which is what we determined was the optimum in terms of this particular design—and the waiting time would be cut to less than half and the trip time would be reduced from one-third to one-half.

The proposal is to also increase the capacity, because the cars in total would handle more people than are presently capable of being handled on these two shuttle cars. In addition, provisions would be made for the handicapped. There are no provisions at the moment, as you are well aware, not only to enable persons in wheelchairs to be placed aboard but also to have the access to the cars at the same level as the platform, so there are no steps to go up and down, which is another safety feature.

Senator BUMPERS. I do not understand it. Would you raise the platform?

COLLAPSED LOOP SWITCHING SYSTEM

Mr. WHITE. We would raise the platform, and there would be long ramps to get up to that point.

In addition, the space at either end is, as is apparent, limited. Several methods of enabling the loop to take place were investigated. It turned out that the one most likely to succeed in the eyes of the engineering analysis was a system whereby when a car reaches a point close to the end of the track, so that it is close to the terminal, it switches from one track over to the other. Therefore, when placed in reverse, the car goes back on the other track. It is what is called a collapsed loop, so when you get to the end you switch onto the other track and then go back the other way.

There are a number of systems that will enable this to be done. They are all automatic. There is a people-mover-type proposal that is being proposed for this $12 million. The $12 million, incidentally, is the estimate made, in some detail, by our consultants.

On the other hand, that was a little over a year ago, and we are not sure what that might be at the moment. We thought it was high at that time, which is why we have not changed it, on the basis that escalation may have caused some slight increase. We thought it was high then; it may still be high, but we cannot be sure of that. We wanted to be conservative in the request that we made.

These cars could be enclosed, for example, like the people-movers that one sees in airports and other places. They would be all automatic. There would be no operators on the system.

We are talking now, again, about not doing anything to the Russell Building system. We would use the two existing cars, if this were to be pursued, which are sort of coming apart, and cannibalize those for parts for the other cars, since there are no parts available. We make our own parts. This was a custom-built system to begin with. The frames gradually fatigue as the cars vibrate and they are rewelded and rewelded. So at this point it is like scar tissue all over the cars. It is hard to find a place that has not been welded in the frames.

Senator REID. Mr. Chairman?

Senator BUMPERS. Senator Reid?

Senator REID. If this were improved, how long would it take to get the new system in?

Mr. WHITE. About 30 months, 2½ years.

One of the things that we proposed and that is a part of the requirement for the design, was that the existing system remain in operation as the new system is being installed.

Senator BUMPERS. Which raises the cost considerably, of course.

Mr. WHITE. It does and it does not. If one selects the kind of system that we think is an appropriate one here, where there are induction motors used and the power is transmitted from down below instead from the trolleys up above and we use the same trackage system, we think we can prepare for the installation of new cars while we keep using the old ones and then replace them all, in effect, at one fell swoop.

RUSSELL SUBWAY CAR REPLACEMENT

Senator BUMPERS. George, why would it not be sensible, if you are going to buy new cars, to also replace the Russell Building subway cars?

Mr. WHITE. I think that would add a considerable amount to the cost.

Senator BUMPERS. I understand that. But maintenance is just a nightmare around here on all of these cars, is it not?

Mr. WHITE. That is correct. During the recent recess, that is over the holidays, those cars were stripped down and rebuilt again. We do that whenever we have the opportunity, because if we lose a car for maintenance purposes, including replacement of the plastic tires, it changes dramatically, as you are aware, the waiting time and the trip time, because you immediately cut everything in half in terms of available service, but that more than increases the time it takes to get from one place to another. It is faster to walk under those conditions.

So we try to perform preventive maintenance when we can.

HART BUILDING NINTH FLOOR USE

Senator BUMPERS. What is the status of the ninth floor remodeling of the Hart Building?

Mr. WHITE. The ninth floor was authorized to be partially completed in order to——

Senator BUMPERS. Not remodeling, but actually completed; yes.

Mr. WHITE. We partially completed it, and it has been used up until very recently for catering and events of that nature—lunches and dinners and meetings. We never did complete the restaurant facilities that were originally planned to be there.

Recently we have converted it to office space for the Select Committee investigating the Iran circumstance under the chairmanship of Senator Inouye. There are now several private offices and pool office areas. We put in a raised floor. We have installed one of those electronically secure rooms in which restricted conversations can be held and so on. That has all been done in the last 4 to 5 weeks and will be occupied in a few days. Furniture is going in there this Saturday so that the room will be used for its new purpose beginning Monday.

There has been no judgment made of which I am aware as to what will happen after the present use is completed.

X-RAY PACKAGE INSPECTION SYSTEM

Senator BUMPERS. These 24 x-ray packages, are these x-ray people or just packages coming in at some place other than the normal personnel entrance?

Mr. WHITE. These are for packages.

Senator BUMPERS. Is that to x-ray mail coming in and that sort of thing?

Mr. WHITE. No; this is to x-ray ladies' purses and briefcases and that sort of thing. Right now they are being visually inspected, and if someone has a package that they cannot open or do not want to open——

Senator BUMPERS. Are they the kind of x-ray machines they have at the airport where you put the luggage on the rack?

Mr. WHITE. Exactly.

Senator BUMPERS. Twenty-four of those?

Mr. WHITE. Yes.

Senator BUMPERS. Will that cover all of the entrances that are now secured entrances?

Mr. WHITE. I think we have not put them at every entrance. But we have a list of entrances at which they are proposed, Mr. Chairman, and it covers virtually all of the entrances where there is traffic of any magnitude.

Three of those are to replace existing units that are no longer operative and that are obsolete and are not worth repairing. The law library door and the document door at the Capitol, for example, have units that are built in to those marble desks that are at those two locations. There are x-ray units that are no longer operable and are not worth repairing. The cost is such that we are better off to buy new ones. Two of those 24 are for those locations.

Another one would go in the Capitol at the Rotunda on the second floor where traffic comes up the East Front steps. Those would be replaced with these new units. Other ones will go to various doors in the Capitol, in the Hart Senate Office Building, in the Russell Senate Office Building, and in the Cannon, Longworth, and Rayburn Buildings, as well as in some of the annexes. So they would generally cover all active entrances.

EAST PLAZA GUARD ENCLOSURES

Senator BUMPERS. In your status report of February 13, which was addressed to me, there is an item in there that I saw for the first time called guard enclosures. You request $100,000, and you refer to security guard shacks with bulletproof glass and steel casing and so on. Was that a part of the original security plan?

Mr. WHITE. It was not exactly. Let me put it this way. First of all, we are not asking for any additional funds. This is within the budget. I do not know where that request came from, but we are not asking for any additional funds. It is within our budget of the $725,000 that was originally appropriated.

We have always had guardhouses and we were going to modify the existing guardhouses, those two small units that are there at the moment. As we developed this plan, it became apparent that those were not big enough for the control equipment. We needed a slightly larger space.

Beyond that, then, the police were concerned with the fact that we needed to have something that was secure, that was bulletproof, in effect, because if the individual inside the control point is threatened, then the system is capable of being circumvented. So the idea, then, was to have a control guardhouse which would be removed from that location, as a matter of fact, placed in the shrubbery area next to the Capitol where the individual operating can see visually but is not as exposed as the location of the little guardhouse.

The existing guardhouses, then, would remain as weather shelters for the police who are required to be outdoors inspecting the cars as they come in. So the plan is to have an additional guardhouse from what had been originally planned, but it was always planned to modify the existing guardhouses. That is why I took the position that it was not exactly part of the original security plan.

Senator BUMPERS. You are proposing to use your original allotment for that security project of $725,000.

Mr. WHITE. That is correct; we are not adding to that.

Senator BUMPERS. So some of those items which are either coming under the money are you are juggling it around, anyway, so that you are not asking for any additional money to do that.

Mr. WHITE. No; that is correct. There was some shifting in the way the expenses were allocated as we developed this. For example, we originally were planning on steel bollards, 8-inch steel pipes. That has been modified now to have architecturally decorative planters at the sidewalk level that can be moved.

Part of the reason for that is because of the overall plan which is under development now for Capitol Square. We wanted to be certain that we did not do anything that would be so incompatible as to cost a lot of money later to modify. So these planting devices will act as the barriers for vehicles and at the same time be less costly than we had originally planned and can be moved. So that changed some of the costs.

Then as we began to accomplish the work, some items did not cost as much as we thought they would. So the guard enclosures are being paid for out of the original $725,000.

Senator BUMPERS. Senator Grassley?

WEST CENTRAL FRONT COMPLETION

Senator GRASSLEY. Thank you very much. I came in late, so if I ask any questions you have asked, just tell me, will you please, because I do not want to repeat them.

When you appeared before this subcommittee for your fiscal year 1987 budget—and I was not a member of this subcommittee at that time, so take that into consideration—you indicated that you expected the West Central Front project to be completed by the fall of this year. Now we are being told that it will not be completed until early 1988. What has changed from a year ago?

Mr. WHITE. Nothing has changed, Senator Grassley.

Senator GRASSLEY. Are my facts wrong, then?

Mr. WHITE. No; your facts are correct. What you are reading is the original schedule. We have not, in a formal presentation, changed that original schedule.

In fact, the project will be completed in the late summer or early fall of this year. We are a year ahead of schedule. I think the difference comes about in our not having changed the original completion date under the contract, which is 1988, as you say.

Senator GRASSLEY. So then, in other words, you are saying that what we are hearing is correct. It is going to be completed, as you testified a year ago to Senator D'Amato. He asked very much the same question of when it would be completed, and you said, "Yes, we expect that we will be completed in the fall of 1987," which is about a year ahead of schedule.

Mr. WHITE. That is still true.

Senator GRASSLEY. Could I ask, though, what basically remains to be done, even on schedule?

Mr. WHITE. Yes. All of the stonework is completed. All of the structural work is completed. What remains to be done are the installation of three doors—there are some exit doors at the lower level of the Capitol—and some miscellaneous stonework that may be associated with the installation of those doors. The stone consolidant, a preservative for the stone, needs to be applied and the building painted. The birdproofing needs to be accomplished, and then we are finished.

Senator GRASSLEY. That is all within that timetable of this year.

Mr. WHITE. That is correct.

IMMIGRATION BUILDING RENOVATION

Senator GRASSLEY. On the Immigration Building, I would like to ask, again from last year, you indicated that you expected the renovation of this building to be completed within 2 years. Is that still your current timetable for completion?

Mr. WHITE. That is correct. We are on schedule with that. Work is taking place in there now by an outside contractor who was the low bidder on the proposal.

Senator GRASSLEY. Once the project is completed, what is going to happen to the existing headquarters for the Capitol Police?

Mr. WHITE. The plan is to demolish that building. It is barely standing there, as it is, so we are eager to demolish it as soon as we can.

Senator GRASSLEY. What is the status of the ongoing efforts to enhance the security of the East Plaza of the Capitol?

Mr. WHITE. We expect that in approximately 4 to 6 weeks we will be operational on the East Plaza with the hydraulic barriers and with the bollards that will be installed, so that we will be secure from the standpoint of the physical operation.

Consideration needs to be given by the Senate and the House for the elimination of parking in that Plaza, because as long as there are approximately 350 cars that park in that area that will have to be admitted through these barriers, of course, it will be very difficult, as I think is apparent, to be certain that every car that comes in there, even though authorized, does not have some device fastened to it that could later on be a problem.

MECHANICAL BOLLARDS

Senator GRASSLEY. As an example of what seems to me to be kind of a crude way of accomplishing the goal, I noticed out there where you go south of the House of Representatives, that little circular thing that goes into South Capitol Street where you have got the things that come up out of the ground, they are operated or secured by padlocks, Yale locks, that are in the ground that have to be taken off to raise these up; is that right?

Mr. WHITE. That is correct.

Senator GRASSLEY. Is that the best way that could be done?

Mr. WHITE. It is not the best, but it is the least expensive. Those are what are called mechanical bollards. To have installed hydraulically operated bollards at those isolated locations would have been extremely expensive.

Senator GRASSLEY. Then each night somebody goes out there and unlocks those padlocks?

Mr. WHITE. The police do that at night and on weekends. Bear in mind, that is not part of the East Plaza security system as such. It is an effort to enable the police to have some protection from cars coming up those curved roadways that start both at First Street, east and west, as well as on Constitution Avenue and Independence Avenue. Those are really outside the Plaza area, and it was a simple way of providing that additional protection. They are very simple to operate, and the police use them as a first line of defense, one might say.

EAST PLAZA SECURITY STATUS

Senator GRASSLEY. In regard to the East Plaza security, what activities have been completed and what remains to be done there?

Mr. WHITE. The hydraulic barriers have been installed. That is the barriers themselves. At the present time you see construction taking place out there which is the installation of the electrical conduits and the hydraulic lines for operating purposes. Once that is completed, those devices will be operational. The concrete bollards are ordered and expected in the near future. And once those are installed, we are operational.

Senator GRASSLEY. Is the project going to be completed within budget?

Mr. WHITE. Yes.

OVERALL SECURITY PLAN

Senator GRASSLEY. It is my understanding that there is some question about the $13 million for the East Plaza security enhancement, if that is going to be adequate.

Mr. WHITE. There is a substantial question of that nature, Senator. That is, of course, a separate issue from the East Plaza concern.

We were directed, as you may recall, under the law, and given funding to make an effort to determine the accuracy or validity of those cost estimates which had been made by others—they had not been made by our Office—and we are now in the midst of doing that.

The implications are that to do what is required under that proposal will cost substantially more than $13 million. On the other hand, we felt a professional obligation to provide some alternatives in the light of that. So those are being prepared now and will be presented in due course to the appropriate committees that are responsible.

Senator GRASSLEY. Will it be within a few months that that will be ready?

Mr. WHITE. Yes; we expect that by April that will be made available. This committee, of course, will be kept informed of that.

CONTINGENT EXPENSES REQUEST

Senator GRASSLEY. Rather than answering this question orally, I would like to have for the record an explanation of your request in regard to contingent expenses—I guess it was $235,000. That is what you requested for the year we are in. You received $50,000; this year you are seeking $100,000. So I would like to have some explanation of what you are asking for there.

How much were you able to carry forward into 1987?

Mr. WHITE. First, we will be glad to furnish that information, Senator.

As of September 30, which is the end of last fiscal year, we had $134,524 prior-year no-year funds remaining available for obligation during fiscal year 1987, which is this fiscal year. Of these funds remaining available for obligation, a total of $31,192 has been allotted for specific projects but has not yet been obligated. We have in our justifications a listing of various projects and where the monies are being expended.

Senator GRASSLEY. Could you also give us an estimate of your expected fiscal year 1987 carryover?

Mr. WHITE. We will certainly try that. Of course, fiscal year 1987 is not yet over. A lot of things can happen between now and September 30 to require the use of those funds. We could make some estimate.

CAPITOL BUILDING AIR-CONDITIONING IMPROVEMENTS

Senator GRASSLEY. I think maybe I have some more questions along that same line, but I think that I will submit them in writing.

I have a question here, getting back to the Capitol Building. Your request includes $400,000 to continue air-conditioning and ventilation work. This, combined with prior years' funding, it is my understanding, brings the total expenditure for this purpose up to $1.2 million. How much of this work has been completed?

Mr. WHITE. Just a moment.

Senator GRASSLEY. It would be all right if you submit that.

Mr. WHITE. We will submit that for the record.

Senator GRASSLEY. Along that line, then, I would also like to know what proportion of those funds would remain unobligated. That may be in writing as well.

Mr. WHITE. Thank you. We will be glad to do that. I am sorry we do not have that.

Senator GRASSLEY. That is all right.

I suppose the most important thing, though, that I need along that line is when you expect the project to be completed.

Mr. WHITE. My recollection is—and we will confirm this for the record——

Senator GRASSLEY. Let me pass on to Senator Reid.

Senator BUMPERS. Senator Reid?

Senator REID. Mr. Chairman, one question I have: The $12 million figure for improvement of the subway, are we being asked to approve that now?

Senator BUMPERS. That is the request.

Mr. WHITE. You are being asked to approve it, if I may, Mr. Chairman, with the proviso that authorization be forthcoming.

EAST PLAZA PARKING CAPACITY

Senator REID. I understand that. That is because it is a real problem, not only for the Senators but for the public. My temporary office is in the Hart Building, and they are moving people off the subway cars all the time. So it is not good.

We heard some testimony here yesterday. I thought that we were told at that time that there were 750 cars on the East Plaza parking area in front of the Capitol.

Mr. WHITE. There are approximately 750 to 800 cars parked on the entire Capitol Square.

Senator REID. And only 350 on the East Front?

Mr. WHITE. That is correct; the rest are parked on those curved roadways that you see there.

Senator REID. We heard testimony here yesterday from the Sergeant at Arms. We are, of course, as you, concerned about the security aspects of those cars out in front of the Capitol. And he indicated that he was going to work toward removing those, which certainly is no problem with you; is that right?

Mr. WHITE. That is correct. I have been a long-time proponent of removing those cars for aesthetic reasons. Now we have a more persuasive reason, I guess, in terms of security.

Senator REID. Mr. White, it is my understanding that in the past we have had studies completed to show, in addition to moving the cars, what can be done from an aesthetic point of view in that part of it.

Mr. WHITE. That is correct.

Senator REID. Do you have those?

Mr. WHITE. Yes. As a matter of fact, as part of the master plan which was presented, the East Plaza was redesigned as a pedestrian plaza. There were a couple of fountains planned.

Senator REID. When was that last done?

Mr. WHITE. That was done in 1981.

Senator REID. I would appreciate if you would send to my office something on that.

Mr. WHITE. We would be happy to.

Senator REID. There has been some talk that there is a conflict—and maybe that is a word that is certainly too harsh. I am sure it is. But for the security of this Capitol complex there is not a well-defined role of the Architect's office and the Sergeant at Arms or the Capitol Police. Do you find there to be some problem in regard to providing security, a conflict between your office and that of the Sergeant at Arms.

CAPITOL POLICE BOARD ACCORD

Mr. WHITE. There is none of which I am aware. As you may know, the Capitol Police Board consists of the two Sergeants at Arms and the Architect of the Capitol. And we meet regularly and make judgments with regard to policy for the Chief of Police to follow. Of course, our office is the arm that does the construction or installs or asks for funding for x-ray units and that sort of thing.

But so far as I know, there has never been any conflict. We are all in concert with what we ask for.

Senator REID. Mr. Chairman, I have no further questions.

Senator BUMPERS. Senator Grassley has one additional question, Mr. White.

HART BUILDING FURNITURE

Senator GRASSLEY. And that is in regard to your request for $1.5 million to purchase furniture and furnishings for the Hart Building. For the record, I would like to have you provide the amounts requested in previous years for that purpose and the total funds not yet obligated. But I would like to have you state for me now when you would expect this program to be completed and what the total cost might be.

Mr. WHITE. It is my understanding, Senator, that the $1.5 million that is asked for this year is presumably the last that will be needed to complete the furnishing of the Hart Building. That is the Senators' suites, not committee spaces or other spaces.

Senator GRASSLEY. So then that would be during this calendar year or during fiscal year 1988?

Mr. WHITE. Excuse me. If I may, let me check something because my answer, as I was saying it, did not sound right to me.

Senator REID. Mr. Chairman, while they are looking for offices, I wonder if they could find one for me.

Senator BUMPERS. There are some perks with being on this committee—not many. [Laughter.]

Mr. WHITE. I just had the feeling that I was misstating the circumstances. I did not remember asking for that much money before.

There will be the need for two more requests for $1.5 million in order to complete. We will have completed 31 suites as of the expenditure of this $1.5 million that is being asked for now.

Senator GRASSLEY. So about 2 more fiscal years, assuming you get the amount of money that you are requesting for this fiscal year.

Mr. WHITE. That is correct.

Senator GRASSLEY. As I requested, I would like to have unobligated balances left over from previous years.

Mr. WHITE. We will be glad to furnish that.

The $1.5 million, just for the sake of rule of thumb, is supposed to be adequate for 10 or 11 suites. It is about $150,000, more or less, for the modular furniture per suite. That varies, of course, but that is the round number as a rule of thumb. So we will have done 31 units, and we will need 20 more since there are 50 Senators in the building.

Senator GRASSLEY. Thank you, Mr. Chairman.

Senator BUMPERS. Thank you very much, Mr. White. Thank you for appearing this morning.

Mr. WHITE. Thank you, Mr. Chairman.

SUBMITTED QUESTIONS

[The following questions were not asked at the hearing but were submitted to the Architect's Office for response for the record:]

QUESTIONS SUBMITTED BY SENATOR BUMPERS

ARCHITECT OF THE CAPITOL

Question: The request for FY 1988 for Contingent Expenses is $100,000, an increase of $50,000 above the FY 1987 allowance. The Committee understands that a total of $134,524 was carried into FY 1987 in unobligated funds from prior years, making a total $184,524 available for obligation in FY 1987. Please provide a breakdown of obligations to date, and those expected during the remainder of FY 1987. Include a statement justifying the need for the requested increase.

Response: The unobligated balance of $134,524 that was carried over into fiscal year 1987 included $31,192 that was allotted for specific projects that had not yet been obligated. Thus, a balance of $103,332 was available for new projects from the carry over balance. This balance was augmented by the $50,000 appropriated for fiscal year 1987, for a total of $153,332 available for studies and unforeseen expenses during fiscal year 1987.

The table below indicates the obligations as of March 31, 1987, including the fiscal year 1987 funds and the carry over balance from prior fiscal years.

Item	Allotted	Obligated	Allotted but not yet Obligated
FY 1987 Funds			
Pedestal for Rankin Statue	$ 5,500	.....	$ 5,500
Pedestal for King Bust	16,400	.....	16,400
Inspection of Air Handling Unit, LHOB..............	750	$ 750	.....
Installation of Bullet Proof Glass, Rooms S-209, 210, 211, U. S. Capitol......	24,700	11,985	12,715
Prior Year No Year Funds			
Delivery of Rockefeller Bust....................	1,074	1,074	.....
Radio - TV Terminal Facility................	23,000	4,899	18,101
Telephone Equipment Room..	20,650	13,238	7,412
Totals..............	$ 92,074	$ 31,946	$ 60,128

It is difficult to predict with any certainty future obligations for "Contingent Expenses," as the appropriation is intended for unforeseen needs as well as surveys and studies. At the present time, there are no studies or surveys pending which would be funded by this appropriation, and monetary values for unforeseen needs cannot be anticipated.

The requested increase of $50,000, which would bring the total appropriation amount to $100,000 is based on the annual estimated need for these funds. Thus far, five months into the fiscal year 1987, 95%, or $47,350, of the fiscal year 1987 appropriation of $50,000 has been allotted, leaving a balance of $2,650 of fiscal year 1987 funds available to be designated for unforeseen needs for the last half of the fiscal year. Similarly, a balance of $88,190 in prior year funds is presently available for unforeseen needs. The total available for unforeseen needs is thus only $90,840 for the final seven months of the fiscal year. It is therefore deemed prudent to request an annual appropriation of $100,000 to have sufficient funds available for next fiscal year for unforeseen needs of the Congress.

Question: Please explain the increase of $100,000 to $245,000, in warehouse rental charges? What storage areas were relocated?

Response: As was stated in the FY 1988 Budget justifications, during Fiscal Year 1987, with the approval of the Senate Committee on Rules and Administration and the House Office Building Commission, the amount of warehouse space leased by the Architect of the Capitol was increased from 48,205 square feet to 62,697 square feet. This was to accommodate relocation of certain storage areas in the House and Senate Office Buildings assigned to various agencies of both bodies being displaced for the installation of new telephone system switch gear and to provide for future storage use. A reprogramming in the amount of $100,000 was approved to provide funding for the additional space lease cost for the second half of Fiscal Year 1987 and for improvements to the space. For Fiscal Year 1988, the $245,000 requested would cover the increased lease cost for the full year, estimated to be approximately $200,000 and utilities estimated to cost $45,000.

The following storage areas were relocated or added for the purpose noted:

Superintendent, Senate Office Buildings:
Storage displaced by telephone switch gear.

Doorkeeper, House of Representatives:
Storage displaced by telephone switch gear.

Clerk of the House:
Storage displaced by telephone switch gear.

Supervising Engineer, Capitol Building:
Storage displaced by telephone switch gear.

Construction Division, Architect of Capitol:
Materials storage for Longworth Electrical
and Fire Protection Improvements Project.

Question: There is a requested increase of $75,000 in the maintenance of electronic systems. The total requested appropriation $767,700. What work is required, and where is it to be performed, to accommodate the closed-circuit televising of floor proceedings?

Response: The funds available for the design and installation of the televising of the Senate are being provided by contingent expenses of the Senate. The funds required for the maintenance of the equipment, after being turned over to the Senate Sergeant at Arms, will become part of the Senate Recording Studio request.

Question: How much of this amount is related to the closed-circuit surveillance systems? Why isn't this included in the costs of that project?

Response: It is difficult to identify exactly how much of the maintenance budget is spent on any one of the various systems included in the total activities of this group since cable maintenance and various items of equipment are common to more than one system. However, the one line item specifically designated for maintenance of the CCTV system is $75,000.

Question: What is the proposed use of the $1,325,000 for the Program for Energy Conservation (PEC)? What savings are anticipated from this expenditure?

Response: The funds requested for the Program for Energy Conservation are to support the cost of the software required at the central computer located at the Capitol Power Plant and the installation of field interface devices (FIDs), and various instruments and controls on individual pieces of equipment, in each of the buildings in the Capitol Complex. A conservative estimate of 5% savings was used in the National Bureau of Standards Life Cycle Cost Analysis which resulted in estimated avoided energy costs of $71 million over the anticipated fifteen year life of the equipment. The requirements for the central computer software and the FIDs is out-for-bids and this issue should be resolved by early June 1987. The total cost of the computerized system is $2,993,800.

Question: Please explain the $90,000 request for extension of the Radio Communication/Paging System? Who are the users of this system? What is the total cost?

Response: The purpose of this request is to allow the Radio Communication and Paging System to be more effectively utilized and to provide more reliable coverage in basement and sub-basement areas, and tunnels between all buildings, in the Capitol Complex. This is necessary to accommodate normal maintenance activities as well as special and immediate needs during emergencies. Listed below are the number of current pagers and radios we have assigned to various jurisdictions:

	No. Pagers Assigned	No. Radios Assigned
Senate Democratic Policy Comm.	6	0
Senate Sergeant at Arms	32	0
Senate Sergeant at Arms/Senate Computer Center	17	7
Senate Sergeant at Arms/Senate Parking	0	12
Senate Sergeant at Arms/Senate Service Department	13	0
Senate Sergeant at Arms/ Logistical Services Div.	7	0
Senate Superintendent of Bldgs.	25	0
Senate Garage	1	0
Senate Restaurants	1	0
Construction Management Div.	18	19
House Garage	1	0
Administrative Central Office	2	0
Architect of the Capitol Messengers	2	0
Botanic Garden	3	0
Capitol Grounds	11	0
Capitol Power Plant	4	2
Director of Engineering's Off.	5	0
Air Conditioning Engineering Division	7	0
Electrical Engineering Division	12	2
Electronics Engineering Division	32	21
Elevator Engineering Division	4	0
House Superintendent of Bldgs.	23	0
Supervising Engineer - Capitol	15	0
Supreme Court	7	0
AOC Reserve	13	0
Air Force Liaison Office	6	0
House Superintendent	0	6
Library of Congress	30	2
Office of Technology Assessment	2	0

The total cost for the extension of the system is $315,000 to be appropriated over a four year period.

Question: A total of $3.5 million is requested for the replacement of PCB transformers. How much has been appropriated to date, what is the total cost of this program, and when will it be completed?

Response: $8,000,000 was appropriated in the fiscal year 1986 supplemental as the first phase of an $18 - 26 million project to replace all PCB transformers in the Capitol Complex. These funds are to be used to remove PCB from the Rayburn House Office Building, House Office Building Annex No. 2, and the James Madison Memorial Building. The second phase amounting to $3,500,000 is intended to remove PCB from the Capitol and the Longworth House Office Building. The total program is scheduled to be completed by the year 1990.

Question: What contingencies are anticipated that would require the use of a portion of the $1 million requested for telecommunications?

Response: It is anticipated that the recommendations resulting from the Telecommunications Network Planning Study, which is expected to be completed by September 1987, may result in a decision by the Congress to implement a Legislative Branch telecommunications network in some form that will increase functionality and substantially reduce costs for each agency. In order to have some recognition of the costs that will be involved in such implementation and to make the funds available on a timely basis, the request was submitted; any implementation will require the prior approval, as previously provided for by law, of the Appropriations Committees of both the Senate and the House.

Question: There is a request for $220,000 to renovate hearing room speech reinforcement systems. How many hearing rooms will this renovate? Provide a list of the rooms planned, also provide information on how many rooms will not have this type of system.

Response: The following Senate Hearing Rooms have recently been upgraded with new equipment.

Room No.	Committee
SR-253	Committee on Commerce, Science and Transportation
SR-432	Committee on Small Business
SR-332	Committee on Agriculture, Nutrition, and Forestry
SR-220	Committee on Armed Services
SR-236	Committee on Armed Services
SR-418	Committee on Veterans' Affairs
SR-301	Committee on Rules and Administration

The remaining Senate Hearing Rooms, as listed below, are included in this program:

Room No.	Committee
SR-325	Caucus Room
SR-485	Committee on Rules and Administration
SR-385	Committee on Rules and Administration
SD-215	Committee on Finance
SD-419	Committee on Foreign Relations
SD-226	Committee on Judiciary
SD-608	Committee on the Budget
SD-106	Committee on Rules and Administration
SD-124	Committee on Appropriations
SD-138	Committee on Appropriations
SD-192	Committee on Appropriations
SD-342	Committee on Governmental Affairs
SD-366	Committee on Energy and Natural Resources
SD-406	Committee on Environment and Public Works
SD-430	Committee on Labor and Human Resources
SD-538	Committee on Banking, Housing, and Urban Affairs
SD-562	Committee on Rules and Administration
SD-628	Committee on Rules and Administration

Question: Funds were provided in fiscal year 1983, 1984, and 1987 for furniture and furnishings for the Hart Building. In fiscal year 1988 there is a request for $1.5 million in this category. How much has been appropriated to date and what is the total estimate needed? When will this procurement be completed?

Response: The following table was provided for the record.

Hart Senate Office Building
Furniture and Furnishings

Fiscal Year	Budget	Request	Appropriated	Public Law
1983	Suppl.	$8,000,000	$250,000 [1]	98-63
1983	Suppl.	.....	210,000 [1]	98-63
1983	Amend.	9,500,000	.....	
1984	Reg.	.....	250,000	98-51
1984	Suppl.	1,500,000	1,500,000	98-396
1986	Reg.	1,500,000	.....	
1987	Reg.	1,500,000	1,500,000	99-591
	Total Appropriated...........		$3,710,000	
1988 Request Reg.....................			1,500,000	
	Total........................		$5,210,000	

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[1] Amount reappropriated on a "No Year" basis for Hart Furniture and Furnishings.

An additional $1,500,000 will be requested in fiscal year 1989 to complete procurement of modular furniture for Senator's suites and to begin furnishing committee and public spaces with modular units.

Question: Provide information on the amount and type of furniture and furnishings purchased to date, what would be purchased with the requested funds, and what remains to be procured?

Response: Modular furniture for twenty Senator's suites has been purchased to date. Purchases include movable partitions, space dividers, partition-hung storage units, acoustical panels, task lighting and modular free-standing furniture. There is a pending request from the Rules Committee to procure furniture and furnishings for an additional eleven suites, which will be funded from existing funds. Thus furniture will have been provided for thirty one suites by the end of fiscal year 1987. More modular furniture will be procured with the fiscal year 1988 requested funds to satisfy the need for approximately ten additional Senator's suites. Additional funds will be requested in fiscal year 1989 to complete the Senator's suites.

Question: A total of $1,050,000 is requested for the main kitchen remodeling in the Dirksen building. What is the total cost of this project and when will it be completed?

Response: The total cost of the Dirksen Main Kitchen remodeling is $2,584,502. Funding will be requested to complete the project in fiscal year 1989.

Question: Major improvements are proposed to the Senate Subway System totaling $12 million. What alternative systems were studied, how much did they cost, and why were they rejected?

Response: The Engineering Consultant retained to study the needs of the Senate subway system reviewed the various alternatives available and concluded that a series of cars following each other in a loop arrangement, rather than the current shuttle arrangement, will improve service to the Senators. If this project is approved, plans and specifications will be prepared to allow for competitive bidding for the new system. Actual costs for alternative systems and equipment will not be known until bids are received. The consultant's report indicates the examination of other systems, including, for example, moving sidewalks. Evaluations and costs are included in the report.

The only other alternative to the installation of a new, more efficient, and more rapid subway system was to replace the existing shuttle cars with new cars. These two new cars would cost approximately $3,000,000 and would not improve the existing response or trip time for the Senators.

Question: You are requesting $200,000 for a feasibility study for improvements to steam generating facilities. Two years ago the Bechtel Corporation did a study of future expansion. What has changed in the last two years requiring a new study?

Response: The study previously completed by the Bechtel Corporation was a Site Feasibility Study and was limited to receiving their judgment as to whether a new steam generating plant could be placed on the small and limited site at the Capitol Power Plant while maintaining current steam and chilled water generating capacity. Their report stated that the site of the existing plant is capable of supporting a new coal-fired steam plant. They stated that over the long term, the existing plant is inadequate to meet the projected loads and that the oil-fired boilers should be replaced in the immediate future. They also stated that because of the unique circumstances associated with expansion of the Power Plant, (i e., necessary appropriation cycles, architectural and engineering review, uncertain environmental impact review, the need for careful construction planning, etc.) that the definitive design and cost estimating work for the new plant should begin eight years prior to its required service.

This study will be the next step in the long term process of evaluating the need for an enlarged and modified existing facility or the beginning of the design process for a new facility.

Question: If other buildings are to be added to the requirements of the Capitol Power Plant shouldn't those agencies also share the cost of expansion?

Response: Since all buildings served by the Capitol Power Plant, with the exception of the Folger Library, are government buildings it has been the policy in the past to charge only those costs associated with operations. The Plant has sufficient capacity to accommodate all buildings currently designated to be served. However, it cannot accommodate additional buildings in the future without a major new addition or replacement of the existing steam generating equipment.

Question: Several cyclical maintenance items are requested for the Madison Library Building. This is a relatively new building. Please tell us why these repairs are required so soon.

Response: The Madison Building was constructed beginning with excavation in 1971 and was occupied beginning in 1979. The electronic computer hardware equipment is being replaced in FY 1987 and the FY 1988 request includes the replacement of the software. This computer equipment is a minimum of 10 years old and no longer supported by the manufacturer. The replacement of the sprinkler heads will provide a more reliable water control in collection areas within the Library. The replacement of the lighting control panels is to improve the reliability of this equipment and to achieve energy savings not currently possible. The exterior repairs are those common with marble facing material in that the joints must be repaired periodically as part of a normal preventive maintenance procedure.

Question: Funds are requested to install two elevators in the Madison Library Building. Are the shafts already in place, and if so why weren't these installed at the time of construction? Are any other items required to "complete" the building?

Response: When the Madison Building was designed and constructed one shaft in Core A, one shaft in Core D, and two shafts in Core E were left empty since the usage patterns for the building were not well defined. Now it is apparent that heavy use occurs in Core A because of direct access to the 6th floor dining room, as well as other areas in the building, from the connecting tunnel to the Cannon Building. Also, because of the location of the Capitol South Metro station at First and D Streets S.E., heavy use occurs in Core D. It is not apparent at this time that additional elevators are required in Core E. If the FY 1988 request is approved, a contract could be let in FY 1988 and the work could be completed during FY 1990. There are no additional items, of similar nature, to complete the building.

Question: What is the status of the new nursery at D.C. Village, and when will it be ready?

Response: Although a few outstanding funding issues between the Department of Transportation and the District of Columbia government remain unresolved, we still expect the nursery at D.C. Village to be ready in late 1988.

Question: Please explain the request of $50,000 for the Botanic Garden's conservatory building analysis. Is this the total cost of that project?

Response: An analysis of problems at the Botanic Garden Conservatory is necessary to determine their extent and to propose solutions to the structural and mechanical deficiencies in the building. The result of the analysis will also indicate the estimated range of cost for restoring the building.

The Conservatory Building of the Botanic Garden was built in 1931. It has steel columns supporting an aluminum superstructure, the first of its kind for this type of building. In 1971 the National Bureau of Standards analyzed the aluminum structure and prepared a report on the exfoliation and deterioration of the aluminum. Following that report, several aluminum members were replaced by the Botanic Garden maintenance staff.

Since that time, there has been further deterioration and exfoliation of the aluminum, as predicted in the 1971 report. In addition to the aluminum, there is a marked deterioration of the steel columns at the footings, at their junction with the aluminum, and where they are faced with brick. The original glass has become permanently etched and the glazing system has deteriorated resulting in increased slipped glass and the shattering of entire roof sections in wind storms. There are also large structural cracks in the masonry particularly in the display galleries near the junction of the walls and the roof beams.

In addition to the structural analysis, the study must also review the heating and ventilating systems, water distribution and humidifications systems, doors, drainage, lighting, service and storage areas. The entrance modifications and the skylight installation that were proposed in the fiscal year 1987 budget should also be reviewed as part of the total package.

The proposed Engineering Study of the Conservatory must look at the above mentioned problems and analyze the extent and seriousness of each. The engineers should address the scope and phasing of necessary corrections, cost estimates, and a recommended timetable.

The estimated cost of this work is $89,000, of which $50,000 is requested in the fiscal year 1988 budget. The balance of the funding is to be derived from unobligated balances in the Botanic Garden "No Year" account, primarily from the roof replacement project. This request includes approval of this redirection of funds. This comprehensive engineering review of the Conservatory and all its systems will determine the measures needed to bring it up to current technological standards.

Question: How much will remain in the Botanic Garden "No Year" account?

Response: The appropriation Botanic Garden - No Year, as of March 31, 1987, has an unobligated balance of $91,842. Our fiscal year 1988 justifications request the use of $39,000 of the remaining $91,842 for a study to determine the structural condition of the Botanic Garden Conservatory building, as well as that of the HVAC, lighting systems, and other related areas. The use of the $39,000 will leave an unobligated balance in the Botanic Garden - No Year Appropriation of $52,842.

Question: The Subcommittee recently approved a reprogramming of $350,000 for the renovation of the 9th floor of the Hart Building for the staff of the Select Committee looking into the Iran-Contra scandal. What was the total cost of that work and when was it completed?

Response: There are two phases to be accomplished by the reprogrammed funds. The first, renovations to the ninth floor of the Hart Building, is complete. The renovation work performed on the ninth floor of the Hart Building, for use by staff of the Select Committee to Investigate Covert Arms Transactions With Iran, cost $197,022. This amount reflects the charges posted to our accounting system as of March 31, 1987. Circumstances exist that there could be some minor charges yet in transit, however, they would certainly not be substantial and the cost of this project will probably not exceed $200,000. The work on the ninth floor was substantially complete the week ending March 7, 1987 and occupancy commenced on March 9, 1987. The second phase, construction of a temporary raised dais in the Russell Building Caucus Room, will be accomplished shortly.

Question: Give us a report on your concerns about the terraces on the West Front. What did your study find and what are the recommended repairs? What is the cost estimate?

Response: As the restoration of the West Central Front progressed, it became increasingly obvious that the central portion of the lower Olmsted terrace suffers serious structural, waterproofing, and material weathering problems. Particularly evident in the area of the exedra (where the Presidential Inaugural ceremony was held in 1981), the high retaining walls show evidence of alarming movement at the grand stairs, the balustrades, and at the intermediate terrace itself.

Preliminary investigations of the structural defects were done by the Architect of the Capitol to assess the magnitude of the problem and the urgency of corrective action. Because the cost of the restoration project is well below the budget, sufficient funds are available to cover the cost of a detailed study and necessary corrective measures.

A study is being prepared and will include the following considerations: structural repair, waterproofing and the creation of usable space under the terrace. Various cost options will be included in the study to show the corrective work which must be performed and will include the costs for undeveloped space as well as fully finished reception areas with offices.

A cost estimate is forthcoming from the consultant by July 1987.

Question: The Architect of the Capitol has been designated as the coordinator of telecommunications programs in the Congressional support agencies. Give us a report on where those plans stand.

Response: Pursuant to Section 305 of H.R. 5203, 99th Congress, as enacted in Public Law 99-591, approved October 30, 1986, 100 Stat. 3341-287, the Architect of the Capitol was directed to develop an overall plan for satisfying the telecommunications requirements of the six major Congressional support agencies, and to submit the plan to the Committee on House Administration of the House of Representatives and the Committee on Rules and Administration of the Senate for their joint approval. That planning process is now underway and it is expected that alternative plans will be submitted to the affected committees no later than October 1, 1987. The committees will jointly select the final configuration of the plan sometime thereafter. All of the designated agencies, and the Senate and House in addition, have been and continue to be active participants in the process. The schedule for accomplishing the various tasks that form the study is being met.

QUESTIONS SUBMITTED BY SENATOR GRASSLEY

RENOVATION OF THE ADAMS AND JEFFERSON BUILDINGS

Question: Of the $81 million provided by Congress for the renovation of the Adams and Jefferson Buildings, how much has been expended thus far? What is the contingency factor for this project? When is the expected completion date? Please provide for the record a brief description of tasks to be performed for each phase of construction, and the allocation of funds for each phase.

Response: The total obligations for the Library of Congress revnovation project are as follows as of March 31, 1987.

Construction Phase	Allotted	Obligated	Unobligated
Milestone I - Interim Occupancy..........	$ 1,992,218	$ 1,992,218	$ .....
Milestone II - Phase I	37,126,000	18,268,148	18,857,852
Milestone III - Interim Occupancy...	1,129,000	.....	1,129,000
Milestone IV - Phase II...........	22,913,000	.....	22,913,000
CMD Services.........	7,324,000	3,208,621	4,115,379
Unalloted Contingency.	4,192,683	.....	4,192,683
Allotted Contingency..	6,323,099	.....	6,323,099
Totals.......	$81,000,000	$23,468,987	$57,531,013

A contingency factor of 15% was used when developing the cost estimates for the renovation work, which is within the range and standard industry practice of 15-25% contingency for work in an existing building. The work is anticipated to be completed by early 1991.

Renovation of the Adams and Jefferson Buildings
Allocation of Funding - Phased Construction

INTERIM OCCUPANCY		
Interim Occupancy....................	$ 421,970	
Alt. 4th Floor - Adams Building......	1,147,492	
Demolition/Security Partitions.......	422,756	
		$ 1,992,218
PHASE I CONSTRUCTION		
Arch/Elect/Mech/Plumb/Fire Protection	19,210,000	
CATV/Cable/Security..................	854,000	
Colonnades...........................	5,479,000	
Elevator Modification................	452,000	
Renovation A/C System................	6,102,000	
Renovation Existing Windows/Double Glazing............................	1,405,000	
Rosenwald Room.......................	183,000	
Display Cases........................	1,307,000	
Specialty Painting...................	824,000	
Art Restoration......................	1,245,000	
Signage..............................	65,000	
		$37,126,000
INTERIM OCCUPANCY, PHASE II	1,129,000	1,129,000
PHASE II CONSTRUCTION		
Arch/Elect/Mech/Plumb/Fire Protection	21,076,000	
Exterior Restoration.................	933,000	
Specialty Painting...................	904,000	
		22,913,000
UNALLOCATED CONTINGENCY................	4,192,683	$ 4,192,683
CMD SERVICES...........................	7,324,000	$ 7,324,000
ALLOCATED CONTINGENCY..................	6,323,099	$ 6,323,099
TOTAL..................................		$81,000,000

CONTINGENT EXPENSES

Question: In FY 1987 you requested $235,000, but received only $50,000. For FY 1988 you are seeking $100,000. Please provide for the record a table detailing the expenditures from this account.

Response: The fiscal year 1987 request included $145,000 for the rental of warehouse space and related expenses. That activity and the funding for it were subsequently transferred to the "Capitol Buildings" appropriation, where it is currently funded. The table below indicates the obligations as of March 31, 1987, including the fiscal year 1987 funds and the carry over balance from prior fiscal years.

Item	Allotted	Obligated	Allotted but not yet Obligated
FY 1987 Funds			
Pedestal for Rankin Statue	$ 5,500	.....	$ 5,500
Pedestal for King Bust	16,400	.....	16,400
Inspection of Air Handling Unit, LHOB..............	750	$ 750	.....
Installation of Bullet Proof Glass, Rooms S-209, 210, 211, U. S. Capitol......	24,700	11,985	12,715
Prior Year No Year Funds			
Delivery of Rockefeller Bust....................	1,074	1,074	.....
Radio - TV Terminal Facility................	23,000	4,899	18,101
Telephone Equipment Room..	20,650	13,238	7,412
Totals...............	$ 92,074	$ 31,946	$ 60,128

Question: How much were you able to carry over into FY 1987? Can you estimate your expected FY 1987 carry over?

Response: The unobligated balance of $134,524 that was carried over into fiscal year 1987 included $31,192 that was allotted for specific projects that had not yet been obligated. Thus, a balance of $103,332 was available for new projects from the carry over balance. This balance was augmented by the $50,000 appropriated for fiscal year 1987, for a total of $153,332 available for studies and unforeseen expenses during fiscal year 1987.

Question: What has been your level of obligations from this account for the past five years? Has the decline in carry over funds affected your ability to perform necessary activities? What would be the impact should your request be reduced to $50,000 for FY 1988?

Response: The following table was provided for the record.

	Contingent Expenses Total Obligations	Less Warehouse Lease Cost	Obligations for Unforeseen Needs and Studies
Fiscal Year 1982	$ 184,721	($ 57,495)	$ 127,226
Fiscal Year 1983	203,599	(57,495)	146,104
Fiscal Year 1984	275,908	(96,216)	179,692
Fiscal Year 1985	195,340	(116,422)	78,918
Fiscal Year 1986	250,542	(161,742)	88,800
Average Obligations over fiscal years.......			$ 124,148

Thus far there has not been a situation where the lack of funds has prevented necessary unforeseen work to be performed. However, as the table above indicates, the average level of expenditures over the past five years is nearly $125,000. A reduction in the appropriation to $50,000 would in all likelihood impose severe restraints on the ability to meet unforeseen needs.

Question: Historically funding for the rental of warehouse space has been provided through the Contingent Expenses account. Will this be continued in FY 1988? In the Capitol Building account there is a request for an increase of $100,000 for the rental of warehouse space. Are these funds for the same purpose? Please explain.

Response: Beginning with the Fiscal Year 1987 Legislative Branch Appropriations Act, Public Law 99-591, approved October 30, 1987, the Committees on Appropriations recommended that funds for warehouse rental be placed in the Capitol Buildings appropriation instead of the Contingent Expenses appropriation, and it is anticipated that that will continue. The requested increase of $100,000 for warehouse space rental is for the increased rental cost and utilities for the authorized additional warehouse space leased in Fiscal Year 1987.

CAPITOL BUILDINGS

Question: Your request includes $400,000 to continue air conditioning and ventilation work. This combined with prior year funding brings the total expenditures for this purpose up to $1.2 million. How much of this work has been completed? What portion of the funds remains unobligated? When do you expect this project to be completed?

Response: The work schedule to modify and replace sections of the existing air conditioning equipment and systems is dependent upon when the equipment can be taken out of use for a reasonable period of time, such as six weeks.

The replacement equipment must be purchased and stored until the opportune time occurs to complete the work. Approximately eight of the twenty units in this program are scheduled for replacement with three of these completed at this time. The others will undergo various modifications and reconditioning as necessary. A major portion of the funds unobligated are to provide for the labor required during each replacement period. The unobligated balance for this project as of March 31, 1987 is $444,920. It is expected the project will be completed by September 1989.

Question: What is the status of the Energy Conservation Program? Are you prepared to proceed with the final phase of this effort? What is the projected cost to complete? What level of contingency is built into this request? What are the estimated savings from this program?

Response: The funds requested for the Program for Energy Conservation are to support the cost of the software required at the central computer located at the Capitol Power Plant and the installation of field interface devices (FIDs), and various instruments and controls on individual pieces of equipment, in each of the buildings in the Capitol Complex. A conservative estimate of 5% savings was used in the National Bureau of Standards Life Cycle Cost Analysis which resulted in estimated avoided energy costs of $71 million over the anticipated fifteen year life of the equipment. The requirements for the central computer software and the FIDs is out-for-bids and this issue should be resolved by early June 1987. The total cost of the computerized system is $2,993,800. The minimal amount of $84,200 is available for Administrative and Contingency in this account.

Question: For FY 1988 you are requesting $3.5 million to begin replacement of PCB transformers throughout the Capitol Complex. Please provide for the record the schedule for replacement of the transformers, the expected annual request and the total cost to complete this effort.

Response: $8,000,000 was appropriated in the fiscal year 1986 supplemental as the first phase of an $18 - 26 million project to replace all PCB transformers in the Capitol Complex. These funds are to be used to remove PCB from the Rayburn House Office Building, House Office Building Annex No. 2, and the James Madison Memorial Building. The second phase amounting to $3,500,000 is intended to remove PCB from the Capitol and the Longworth House Office Building. The total program is scheduled to be completed by the year 1990.

Question: Pursuant to Section 305 of the Legislative Branch Appropriations Bill for FY 1987 you are charged with the responsibility of putting together a plan for the Legislative Branch Agencies which will be compatible with both the House and Senate Systems. What is the status of the plan? When do you expect to have a complete plan for submission to the appropriate Committees of the Congress?

Response: Pursuant to Section 305 of H.R. 5203, 99th Congress, as enacted in Public Law 99-591, approved October 30, 1986, 100 Stat. 3341-287, the Architect of the Capitol was directed to develop an overall plan for satisfying the telecommunications requirements of the six major Congressional support agencies, and to submit the plan to the Committee on House Administration of the House of Representatives and the Committee on Rules and Administration of the Senate for their joint approval. That planning process is now underway and it is expected that the optional plans will be submitted to the affected committees by September 1987. The committees will jointly select the final configuration of the plan sometime thereafter.

It is anticipated that the recommendations resulting from the Telecommunications Network Planning Study, which is expected to be completed by September 1987, may result in a decision by the Congress to implement a Legislative Branch telecommunications network in some form that will increase functionality and substantially reduce costs for each agency. In order to have some recognition of the costs that will be involved in such implementation and to make the funds available on a timely basis, a fiscal year 1988 budget request in the amount of $1,000,000 was submitted; any implementation will require the prior approval, as previously provided for by law, of the Appropriations Committees of both the Senate and the House.

SENATE OFFICE BUILDINGS

Question: You are requesting $1.5 million for the purpose of purchasing furniture and furnishings for the Hart Building. Could you provide for the record the amounts requested in previous years for this purpose and the total of funds not yet obligated. In addition, when do you expect this program to be complete and at what total cost?

Response: The following table was provided for the record.

Hart Senate Office Building
Furniture and Furnishings

Fiscal Year	Budget	Request	Appropriated	Public Law
1983	Suppl.	$8,000,000	$250,000	98-63
1983	Suppl.	.....	210,000 [1]	98-63
1983	Amend.	9,500,000	.....	
1984	Reg.	.....	250,000	98-51
1984	Suppl.	1,500,000	1,500,000	98-396
1986	Reg.	1,500,000	.....	
1987	Reg.	1,500,000	1,500,000	99-591
Total Appropriated			$3,710,000	
Unobligated balance as of 3/31/87			$1,740,121	
1988 Request Reg			1,500,000	
Total			$5,210,000	

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[1] Amount reappropriated on a "No Year" basis for Hart Furniture and Furnishings.

An additional $1,500,000 will be requested in fiscal year 1989 to complete procurement of modular furniture for Senator's suites and to begin furnishing committee and public spaces with modular units.

Question: Please describe for the record the plans to renovate the Dirksen Cafeteria focusing on a brief description of the work to be done, the cost of each phase, prior year's funding, funds that remain unobligated and the contingency built into the current estimates.

Response: The following information was provide for the record.

Stage	Work to be Accomplished		Cost Estimate
Stage A:	Construct	- Tobacco Storage Bakery Walk-in Refrigerator.	$ 57,449
Stage B:	Demolish	- Part of Walk-in Refrigerator Cook's Storage Office Old Pot Wash	
	Construct	- Specialty Kitchen Oven Area Banquet Plating Pot Wash Broaden Public Corridor.....	618,142
Stage C:	Retain	- Dairy Refrigerator Men - Women Toilets Receiving Office	
	Relocate	- Locker Rooms Elsewhere	
	Demolish	- Locker Rooms Store Rooms Rough Prep Area	
	Construct	- Dish Wash Service Corridor...........	419,432
Stage D:	Demolish	- Old Dish Wash Dairy Refrigerator Receiving Office	
	Construct	- Major Portion of Prep-Issue.	328,088
Stage E:	Demolish	- Old Prep Area Store Room Wall	
	Construct	- Store Room Major Portion of Prep-Issue Refrigeration............	247,209
Stage F:	Demolish	- Old Walk-in Refrigerator	
	Construct	- Final Part of Prep-Issue Final Part of Prep-Issue Refrigeration............	50,138

Stage	Work to be Accomplished		Cost Estimate
Stage G:	Construct -	Cold Food Assembly	
		Chef's Office	
		Holding Refrigerators	
		Marshalling Area............	298,119
Stage H:	Construct -	Cooking Battery.............	374,178
Stage J:	Demolish -	Men - Womens Toilets	
		Various Partitions	
	Construct -	Locker Rooms	
		Dressing Areas	
		Linen Storage	
		Paper Storage	
		Dry Storage	
		Banquet Storage	
		Bakery Storage.............	191,747
		Total...............	$2,584,502

Funds in the amount of $728,000 have already been appropriated for the kitchen remodeling, and will provide for Stage A (complete), Stage B, and a portion of Stage C. The unobligated balance as of March 31, 1987, for the $728,000 is $423,368. An additional $85,000 has been appropriated to replace the dishwashing machine which is scheduled in Stage C. The $1,500,000 requested for fiscal year 1988 will fund the balance of Stage C and Stages D, E and F. Funding will be requested to complete the program for fiscal year 1989. The contingency factor for the cost estimate is 10%. These funds are requested on a "No Year" basis.

LIBRARY BUILDINGS AND GROUNDS

Question: You are seeking $650,000 for the installation of two elevators in the Madison Building. This is the third year that funds have been requested. Has anything changed from the prior year's to enhance the necessity of this request? When would work begin if the funds were provided? What would be the expected completion date?

Response: When the Madison Building was designed and constructed one shaft in Core A, one shaft in Core D, and two shafts in Core E were left empty since the usage patterns for the building were not well defined. Now it is apparent that heavy use occurs in Core A because of direct access to the 6th floor dining room, as well as other areas in the building, from the connecting tunnel to the Cannon Building. Also, because of the location of the Capitol South Metro station at First and D Streets S.E., heavy use occurs in Core D. It is not apparent at this time that additional elevators are required in Core E. If the FY 1988 request is approved, a contract could be let in FY 1988 and the work could be completed during FY 1990.

QUESTIONS SUBMITTED ON BEHALF OF

SENATOR PETE V. DOMENICI

BIENNIAL BUDGET CYCLE

Calls for budget reform are increasingly heard as budget deadlines are too often missed, important budget decisions are delayed, appropriation bills and other direct spending legislation are held up in committee, and omnibus spending bills take the place of timely and orderly consideration of individual bills. One procedural reform that is being considered is the two-year budget cycle where budget and appropriations matters would be considered in the first year, and authorizations and oversight would be undertaken in the second year.

Question: Would your department/agency favor a biennial budget process? What benefits would your agency achieve in a two-year appropriation cycle?

Response: Although there are many questions that would have to be answered satisfactorily before committing to a biennial budget process, it can be stated that such a process would be favored by the Office of the Architect of the Capitol. As outlined in the background information preceding the question, a two-year cycle, one in which budget and appropriations matters were undertaken and the next in which authorizations and oversight were considered, would afford a reasonably flexible budget cycle for the various activities under the jurisdiction of the Architect of the Capitol.

Many of the functions of the Architect's Office, such as the ongoing maintenance of the buildings and operation of the Capitol Power Plant, could be accomplished using a biennial budget process. Some of the nonrecurring project needs which are performed by the office could also be accomplished in that manner. However, some nonrecurring project needs require minimal response time and could not wait for the time lag imposed by a two-year budget. As these type projects tend to be in response to critical needs or congressional direction, the lack of funding flexibility could severely curtail the effectiveness of responding to such needs.

Assuming that these nonrecurring projects could be accommodated in some manner, there are several benefits that would be achieved by a two-year budget cycle.

One of the obvious benefits would be the reduction in budget preparation and justification time before Committees. As much of the annual request for the Office is repetitive, the work needed to prepare these items, i.e., personal services and annual recurring maintenance, would be reduced somewhat, thereby freeing time that could be spent performing budget analysis and projections for other needs.

Another benefit that could be achieved would be that the two-year cycle would reinforce the need for better budget planning within the organization. Managers would be required to make two year projections for their workforce and other needs, and would have to make more realistic projections as there would be longer time between funding intervals.

In summary, it seems that there would be many adjustments that would be necessary before moving into a two-year budget cycle, but that given proper planning and sufficient authorization for internal financial flexibility, the two-year process could be a positive step towards improved budget management.

Question: Approximately what proportion of your annual appropriation request would you consider simply repetitious of the previous year's submission?

Response: Approximately 80% of the fiscal year 1988 budget request is for annual recurring maintenance items and personal services and related benefits.

Question: What difficulties can you foresee in preparing and submitting a two-year budget to the Congress?

Response: As mentioned in response to the first question. the major problem in preparing and submitting a two-year budget to Congress would be the need to provide for sufficient funds to cover critical or unanticipated needs on a timely basis that would occur between the two-year budget cycle.

Question: If you oppose the biennial budget concept, please give this subcommittee your reasons why.

Response: The biennial budget concept would require further study with respect to the functions and needs of the organization before a judgment could be made whether or not to favor it. As all of the work performed by the Architect's Office is at the direction of the Congress, it would be incumbent on the office to ensure that it could meet all Congressional requirements in a satisfactory and timely manner.

GENERAL ACCOUNTING OFFICE

RAILROAD ACCOUNTING PRINCIPLES BOARD

STATEMENT OF HON. CHARLES BOWSHER, COMPTROLLER GENERAL OF THE UNITED STATES

ACCOMPANIED BY:

- MILTON J. SOCOLAR, SPECIAL ASSISTANT TO THE COMPTROLLER GENERAL
- THOMAS P. McCORMICK, ASSISTANT COMPTROLLER GENERAL FOR OPERATIONS
- RICHARD L. BROWN, CONTROLLER, GENERAL ACCOUNTING OFFICE
- C. RICHARD YAGER, EXECUTIVE DIRECTOR, RAILROAD ACCOUNTING PRINCIPLES BOARD

Senator BUMPERS. Our next witness is Mr. Bowsher, Comptroller General of the United States.

Mr. Bowsher, I know you are wearing two hats this morning as Comptrolier General and also representing the General Accounting Office, our watchdog agency, which commands considerable respect around here. We appreciate your coming. If you could summarize your statement in the interests of time, we would appreciate it. Your entire statement will be inserted in the record. We are anxious to hear from you.

SUMMARY OF STATEMENT ON RAILROAD ACCOUNTING PRINCIPLES BOARD

Mr. BOWSHER. Thank you very much, Mr. Chairman. I thought I would summarize the Railroad Accounting Principles Board first and give you a report on it. We are not asking for any money for fiscal year 1988 because we are hoping to complete the Board's activities this year. This is an activity for which we have had appropriations for 3 years and we are now completing our work.

Rick Yager, who is on my extreme right, is the Executive Director. We are going out with the exposure draft in these documents to get the comments of the railroad people, the shippers, and other interested parties. We are hoping by the end of April to hold a public hearing and then by the summer to be able to finish the project and issue the final report. That organization would then go out of business.

If there are any members of the committee who might want to ask any questions on the Railroad Accounting Principles Board we would be pleased to respond. Otherwise I will proceed to summarize my statement for the General Accounting Office.

[The statement follows:]

STATEMENT OF CHARLES A. BOWSHER, CHAIRMAN, RAILROAD ACCOUNTING PRINCIPLES BOARD

I am appearing before you today in my capacity as Chairman of the Railroad Accounting Principles Board to discuss the Board's operations during fiscal year 1987. As you have noted in the 1988 budget request, we have asked for no appropriation. I would like to review briefly for you the Board's activities since we last appeared before this Committee and our plans for the remainder of 1987, which explains why we are requesting no budget for 1988.

As you recall in our last appearance, we had just issued a discussion memorandum on the issues with which the Board was concerned. Following the issuance of the discussion memorandum, the Board's staff conducted research and prepared papers on each major issue. The issues were:

- What entity is appropriate for collecting cost and investment information,
- How annual expenses should be used for costing purposes,
- How capital cost should be measured,
- What principles should underlie a general purpose costing system,
- What departures from general purpose cost are required, and what level of detail is necessary for reporting cost and operating statistics.

Railroad Accounting Principles

Through the end of fiscal year 1986, the Board completed consideration of the major issues, and established eight tentative principles to resolve them.

The first four principles are general and describe necessary attributes of cost and related information:

- A cause and effect relationship must exist between freight movements and cost.
- Similar costs should be combined in groups.
- Departures from the principles are permitted to reduce the cost of complying with the principles, as long as decisions are relatively unaffected by the departure.
- Cost information must be accurate and verifiable.

The remaining four principles address particular issues in railroad accounting:

- The reporting entity should combine all railroad-related subsidiaries of a holding company, with specific information about railroad activities broken out.
- The cost-of-capital rate should be the rate required in the capital markets.
- Asset values should be reflective of what a company actually paid for the assets, or in certain cases, would pay to purchase today; and
- A productivity factor should be included when measuring cost changes over several years.

So far in fiscal year 1987, the Board has held four meetings. The meetings were held to consider an exposure draft for the principles and recommendations on which the public will have an opportunity to review and provide written comments. The Board issued the exposure draft on February 20, 1987. The document contains a discussion of the principles, the effects of those principles on specific regulatory applications, and changes in administrative recommendations required to implement the principles, and the reasons for selecting a particular principle, alternatives considered, and reasons for rejecting the alternatives. The exposure draft also includes a discussion of general purpose costing systems, with particular emphasis on the Uniform Rail Costing System and Rail Form A.

Once issued, the public will have 60 days within which to respond. Following analysis of the public comments, the Board will conduct public hearings on the exposure draft at the end of April, to permit the Board Members a chance to ask questions of those appearing. Following those hearings the Board will complete and submit a final report to Congress, at the end of summer of 1987.

To complete its congressional mandate, the Board and its staff will prepare for congressional hearings on the principles and their implementation, if Congress wishes to hold such hearings. The staff will also meet with ICC representatives and others regarding implementation of the principles. We believe that all of these activities will be completed prior to September 30, 1987. Therefore, we will require no funding for fiscal year 1988.

GAO BUDGET REQUEST

Senator **Bumpers**. Please go ahead.

Mr. **Bowsher**. For the General Accounting Office, we are requesting funds in fiscal year 1988 for 100 additional average positions for a total of 5,200. As I informed the Appropriations Committee a few years ago, we thought we could do a significantly better job in three or four areas with an average position level of 5,500.

FOUR PRIORITY AREAS

The three or four areas which we identified as needing more attention were: More auditing of the defense area; more auditing of the big computer systems in the federal government; more auditing of the financial systems of the federal government and federal corporations; and also additional work on the financial institutions, an area in which we have had to devote quite a bit of time recently.

STAFFING

We were granted an increase from 5,000 to 5,100 average positions a couple of years ago, but with the budgetary constraints of the past few years, we were not given any additional funds to support the increased average positions. In fact, with the Gramm-Rudman-Hollings law, we went down by quite a margin to literally 4,990 onboard at the end of fiscal year 1986. Last year the committees and the Congress authorized us to go back up to 5,100 in fiscal year 1987, but funded 5,042 average positions. So that is where we are with regard to our staffing.

The majority of our costs are personnel related. We basically are an organization of between 5,000 and 5,100 and have been about that size for close to 10 years. Our travel and training costs, in addition to our personnel costs, comprise the major portion of the GAO budget .

ACCOMPLISHMENTS DURING 1986

I would like to summarize very quickly what we were able to achieve last year. We had an excellent year, in spite of the Gramm-Rudman-Hollings sequestration. We issued a record number of reports. We testified a record number of times, 197 times, before the Congress. Our measurable savings of $18 billion were substantially higher than any we have achieved in previous years.

We feel that we had an excellent year. We were pleased to get the support that this committee and the House committee were able to give us so that our turnover in personnel was not greater than it was. We handled the Gramm-Rudman-Hollings reduction by putting a freeze on new hires. We did not have to go through any RIF or furlough. We were very, very thankful for that.

We did play a significant role in the overall Gramm-Rudman-Hollings process last year, in that we were the central decisionmaker in the original legislation. We were taken out as decisionmaker by the court decision. We still reviewed and played an advisory role by issuing a similar report in September for fiscal year 1987.

We can continue to provide such reports if the Congress wishes us to in succeeding years, but we certainly recognize that our role today is advisory rather than a decisionmaking role after the court decision.

What I will do now, if I may, Mr. Chairman, is summarize a few of the major areas that we have worked on in fiscal year 1986 and will continue to work on this year.

DEFENSE WORK

In the defense area, we have issued many, many reports in the last year. We devote about 30 percent of our resources to work in the defense area and over $10 billion of our $18 billion of measurable savings came from work in the defense area.

Senator GRASSLEY. Would you repeat those last figures?

Mr. BOWSHER. Over $10 billion of our $18 billion of measurable savings was in the defense area.

Senator BUMPERS. Was there any one particular big item out of that $10 billion that you could identify, or was that across the board?

Mr. BOWSHER. Pretty much across the board. It includes a lot of areas like the ammunition program and the different procurement programs. There was no cancellation of any single large program that accounts for the savings.

NUCLEAR POWER STUDIES

Another area where we did quite a bit of work last year, which was unexpected, was in the nuclear power area following the accident at Chernobyl. This was an area where we had done a great deal of work over the years; so we were ready to do the additional requests from the Congress when Chernobyl happened, and we did. Much of that was on the safety of our own plants, especially where we have designs that are somewhat similar to the Chernobyl design.

FINANCIAL INSTITUTIONS

Another area on which we have spent a lot of time in the past year was in the farm credit system and the financial institutions, like FSLIC and Ex-Im Bank. I think that the GAO audits have alerted Congress to, unfortunately, the serious problems that our institutions are facing. These are vital institutions that literally support large sections of our private sector.

In another area, the Farm Credit System, when we first discovered that they were getting into trouble, was an institution of something like $70 billion. It has since shrunk to assets and loans closer to about $50 billion. I think our work in this area pointed out to the Congress the problems that were developing.

I think our work shows one of the major issues that I would like to emphasize here today. That is when an organization is not properly audited, which this organization had not been for a number of years once it went out of the federal government. The problems that were developing were not properly reported. When we finally went back in there and issued the reports, I think we were able to identify the problems. I think the Congress today faces a very big problem, a very serious problem, in the farm credit area.

I see the same on the FSLIC area. In other words, I think the insurance fund backing up our savings and loans is in serious shape, and we testified before the Congress earlier this week on that issue.

IMPROVING GOVERNMENT FINANCIAL MANAGEMENT

That leads to managing our own finances at the federal level. This is something that has worried me. We issued some special reports in the last several years on why we think the federal government itself needs to modernize its accounting and budgeting systems, and I think your staffs are quite familiar with the work we have done. I would be more than happy to answer any questions you might have in that area.

GENERAL MANAGEMENT REVIEWS

Another area on which we have spent quite a bit of time is reviewing of some of the major departments. We have been doing actual management reviews of some of the major Cabinet-level departments of the federal government for the last 3 years. The first one we did was on HUD. Since then, we have done Labor, Justice, Transportation, and DLA. We are currently looking at IRS, Social Security Administration, and EPA.

From these reviews, we are getting a much better understanding of the major problems and some of the long-range programs that are needed in these cases, especially in the systems area. The IRS and the Social Security Administration depend heavily on computer systems to carry out their programs. They have some real problems in those areas. I think these management reviews are among our most important work.

REQUEST FOR ADDITIONAL STAFF

As I pointed out in my earlier remarks, our request includes an additional 100 average positions. We certainly have understood why the committee and the Congress have not been able to give us that increase in the last couple of years due to the budgetary constraints. If it is not possible this year, we will understand, and we would like to work with the committee and the committee staff on how to maximize the use of our budgetary resources. If the additional funds could be found, we would put the extra resources in the defense area, in the complex ADP and telecommunications area, and in our financial audit and financial institution work.

LONGE-RANGE ADP PLAN

We have completed work on GAO's long-range ADP plan, an area in which we ourselves have had some problems in recent years. We think our new plan will help guide us toward getting things in good order. We are looking at our own ADP systems in the administrative areas; in other words, paying the employees, getting the bills paid, and issuing the financial statements.

We are hoping to work with one of the large government finance centers. The one we are especially interested in is in New Orleans, run by the Agriculture Department. I think that is how all the government agencies should operate. The large agencies should have modern, efficient systems, and the smaller agencies, like ourselves, would be able to make use of them.

Today, we have 450 individual accounting systems in the federal government, many of them very old, going back to World War II. I think we should try to practice what we are preaching here, and that is not to design a whole new system for GAO but instead to tie into other available systems. I would hope that that could be done for more of the government as the years go on.

Senator GRASSLEY. Mr. Chairman, I had a question along that line that if I could ask right now would save some time.

Have you decided to proceed with consolidation with the National Finance Center?

Mr. BOWSHER. We have not made a final decision. We are checking some of the controls and trying to work out some of the arrangements with them to make sure that our needs could be met by their system. The preliminary review indicates that it can be done, and we are proceeding with our evaluation. We have not yet made a final decision.

In the telecommunications area, we are trying to work with the Architect of the Capitol, because he has been designated the lead person in this area. We will certainly keep the committee fully informed of decisions made in our dealings with the Architect.

ASBESTOS REMOVAL

I would like to touch on two more things, if I may, before I take questions. The first is the issue of our headquarters building and the facilities for our people. Unfortunately, our building was built in the early 1950's and contains asbestos. We have had a program now for 4 or 5 years, working with GSA, to remove the asbestos and to renovate the interior of the building to be asbestos free. It is moving slowly, but it is moving. These improvements are very important to us.

We have also found asbestos contamination in our regional office buildings, like our building in New York. Asbestos removal is a costly and very time-consuming process that our people are experiencing. I think we are making progress.

One thing I would like to do before my 15-year term is up is to see that the GAO people, the professionals in GAO and their support staff, have good facilities to work in. We cannot pay high salaries in the government but I think to attract talented people to do the important work that an agency like GAO does, it is essential that we have an attractive and safe working environment. We are developing a plan to modernize our facilities and will share it with you when it is finished. I am hoping that we can achieve that. We are making progress in the regions as well. We are moving into a recently completed building in Boston. We are modernizing some of our other space in Los Angeles and Philadelphia.

PAY-FOR-PERFORMANCE PLAN

The last item I would like to bring up is the issue of how we pay our people. We were thinking of instituting a pay-for-performance broadbanding approach just before the Gramm-Rudman-Hollings law was passed. We delayed the new pay system in view of the Gramm-Rudman-Hollings process; we were worried about the law's effect on our staffing levels and its effect on the morale of our employees.

But if we think that the uncertainty might not be there in future years, we would like to again reconsider and go back to the idea of possibly implementing a pay-for-performance system in our organization. It is something to which we have given a lot of thought. The program has already been designed. Other agencies are even looking at our proposed program, because the executive branch has become interested in such a program. This is an area on which I would like to have my people come and brief your staff and lay it all out as to how we hope to go forward on this effort.

What we would like to be able to do is better reward the people who do the best work for us than we can under the existing civil service general schedule.

Mr. Chairman and members of the committee, this concludes my summary of what GAO has done, what we are requesting, and some of the major issues we are working on.

PREPARED STATEMENT

I believe you have my prepared statement setting forth both the fiscal year 1987 supplemental requests and the 1988 budget estimates for the General Accounting Office.

Senator Bumpers. Without objection, they will be inserted into the hearing record at this point.

[The statement follows:]

STATEMENT OF CHARLES A. BOWSHER, COMPTROLLER GENERAL OF THE UNITED STATES

FISCAL YEAR 1988 BUDGET ESTIMATES

Mr. Chairman and Members of the Subcommittee:

I am pleased to discuss GAO's budget request for fiscal year 1988. The Justification of Estimates for that year, which you already have, describes our request in detail.

We are requesting $379.5 million to fund 5,200 average positions. This funding level is $67.1 million greater than our fiscal year 1987 requirement. Forty-seven percent of this increase represents mandatory pay and related costs and price-level changes associated with existing levels of service. The requested staffing level which will increase our personnel by 100 average positions, is another step toward achieving the 5,500 average position level required to fulfill GAO's responsibilities.

GAO's work--seeking ways to improve the processes and effectiveness of government programs--will become increasingly important as the Congress looks for ways to maintain the effectiveness of government programs while meeting the goals of the Balanced Budget and Emergency Deficit Control Act of 1985. Given the necessary resources, I believe we can continue to respond to congressional needs with high-quality, timely work on which the Congress can continue to rely in making difficult decisions.

FISCAL YEAR 1986 - A PRODUCTIVE YEAR

1986 brought new challenges to GAO. We attained measurable savings of $18 billion which is the highest in GAO's history; we testified before the committees of the Congress 197 times which was more than in any prior year; we directly assisted the committees and members of the Congress more than ever before, and met the demands of the Gramm-Rudman-Hollings legislation. GAO helped to gather information and analyze data on issues ranging from aid to Central America to Social Security programs, from tax policies to the cost of national defense, and from aviation safety to the national deficit. In fiscal year 1986 we issued 850 reports, 671 of which were requested by committees and members of the Congress.

I would like to discuss a few highlights from GAO's work on issues of special significance during 1986. While these issues represent only a small part of GAO's work, they serve to underline the wide range of questions facing the Congress and the extent to which GAO is committed to helping find the answers.

Deficit Reduction

On December 12, 1985, the President signed the Balanced Budget and Emergency Deficit Control Act of 1985. The Act included a central role for GAO. Based on our review of the joint report from the Office of Management and Budget (OMB) and the Congressional Budget Office (CBO), we were to estimate the size of the deficit and the reduction needed to reach the target. We were then to allocate that reduction among budget accounts in accordance with the procedures in the Act. The President was required to implement our allocations without change.

In accordance with the Act, we issued our first report cutting $11.7 billion (GAO/OCG-86-1) on January 21, 1986, 6 days after receiving the OMB/CBO report and less than 6 weeks after enactment of the law. Our report made several technical changes to the OMB/CBO report, one of which was to apply the sequester process to the $6.3 billion of defense unobligated balances that OMB and CBO had exempted.

Our next statutory obligation was to issue our compliance report (GAO/OCG-86-2). We did this on March 31, 1986, 1 day before it was required. In reviewing the President's sequester order, we concluded that the intent of the Act had been achieved at the budget account level but that widespread confusion existed among the agencies in applying the reductions to individual programs, projects, and activities.

During the spring and summer of 1986, we responded to various requests from members of Congress that involved the way the Act was interpreted or implemented. For example, on June 30. 1986, we responded to Speaker O'Neill's request for a special review of how the Act was implemented in relation to several programs. Our report (GAO/OCG-86-3) contended that, despite numerous variations and with minor exceptions involving certain special funds, the reductions generally had been implemented in accordance with the Act.

While this work was being performed, the constitutionality of the Act was being challenged in court. On July 7, 1986, the Supreme Court ruled that the Constitution did not permit GAO, as a legislative branch agency, to direct the President to make specific budget cuts. With this ruling, the Congress reverted to what is called the "fallback" mechanism, under which it must enact and present to the President for signature the sequestration required to meet each year's deficit target.

GAO has no statutory role in implementing the fallback mechanism but was requested by Chairman Brooks to review the OMB/CBO report. We did so and reported our results on September

4, 1986 (GAO/OCG-86-4). We found several areas where we disagreed with the OMB/CBO report and we concluded, using the specific estimating rules in the Act, that the actual 1987 deficit would be about $4 billion higher than the average of the deficits predicted by the other two agencies. We also expressed our concern that the FY 1987 deficit might be considerably higher than the maximum amount of $154 billion permitted by the legislation. The January 1987 reports of OMB and CBO now indicate that the deficit will be almost $175 billion in 1987.

With the Supreme Court's decision in July, the only statutory role remaining for GAO is to review any sequester order that may be issued for compliance with the Act. No such order was issued for 1987.

We remain ready to respond to specific requests for further work under the Act as well as to carry out our responsibilities under Title VIII of the Congressional Budget Act. We continue to monitor the budget situation, both tracking the estimates and reviewing individual budget proposals in response to requests from authorizing and appropriations committees.

High Cost of National Defense

GAO spent over one-fourth of its resources in fiscal year 1986 on defense-related work in support of congressional efforts to control defense spending without weakening the nation's military strength. Our work focused on the three key areas targeted by congressional committees: defense budget submissions, acquisition practices, and weapon systems programs. We also reviewed other national security issues, ranging from chemical warfare to the Strategic Defense Initiative to civilian space programs. Our defense audit and evaluation work resulted in almost $10.4 billion in measurable benefits to the taxpayer.

Assessing the Safety Issues of Nuclear Energy

The Chernobyl nuclear power plant disaster served to intensify international debate over the wisdom of developing atomic energy. GAO was able to assist the Congress by analyzing critical issues--such as the potential for serious nuclear accidents; the dangers involved in disposing of radioactive wastes; and the effectiveness of government regulation of nuclear power plants--and offering recommendations for strengthening safeguards against nuclear disasters.

Exploring the Crisis of Farm Credit

GAO identified and reported on problems faced by the major institutions providing farm credit--the Farm Credit System, agricultural banks, and the Farmers Home Administration--as they tried to respond to the farmers' financial difficulties. Our work resulted in early disclosure of financial problems, particularly in regard to the Farm Credit System and the Farmers Home Administration that were confirmed in later reports by these institutions. Our work provided a catalyst that caused officials in these institutions to re-examine their policies in the face of a worsening crisis.

Assessing Effectiveness of Controls on Foreign Aid

During 1986, GAO continued to provide analyses of programs that administered foreign assistance to ascertain whether appropriate controls were in place to avoid diversion or misuse of funds. We traveled to Honduras and El Salvador to assess the management of U.S. aid to the Nicaraguan Contras. On the basis of this review, GAO testified that the State Department could not ensure that these funds were being used for their intended purpose because program managers had difficulty gaining access to the necessary field locations due to the political climate. We also sent a team to the Philippines to examine existing controls over U.S aid and found it difficult to trace use of the aid because the funds were commingled with other receipts in the country's general fund.

Many questions still remain about how much control over foreign aid is appropriate and practical, considering the economic, political, and security objectives of both the United States and the recipient countries. GAO's reviews of foreign military sales credits will further explore the intended and actual uses of U.S. aid and the effectiveness of foreign aid controls.

Managing the Government's Finances

GAO is leading efforts to determine if the government's financial and other management systems are providing reliable and timely information and if management controls are effectively providing a sound foundation for a well-managed government. We are advocating major changes in the financial management structure of the federal government, and we have started working on a system for producing meaningful financial statements. Further, we surveyed users of government financial information to produce the *Federal Government Reporting Study* with our Canadian counterpart, the Office of the Auditor General. This report contains prototypes of government financial reports for the United States and Canada. We also increased the number of financial audits of other governmental entities to identify ways to reduce costs, strengthen internal controls, and improve financial reporting.

Reviewing General Management of Federal Agencies

We continued to conduct general management reviews of federal agencies to identify ways to increase their efficiency and effectiveness. Fiscal year 1986 marked the first year that we saw the potential accomplishments of this initiative. A follow-up review at the Department of Labor found that Labor has made excellent progress in beginning to implement GAO's recommendations. There, strong departmental leadership has established Department-wide goals and a management system that provides a framework for strategic planning, operational management, and good accountability. The completed reviews at the Labor and Justice Departments and the Defense Logistics Agency also contributed to agency oversight conducted by the House Appropriations and Government Operations Committees, and the Senate Appropriations and Governmental Affairs Committees, and several authorizing committees.

GAO's work during the past year has focused on significant national issues facing the Congress. Our work has been more responsive to congressional needs than ever before, and we expect to see an increased demand over the next several years for providing the Congress with important insights into federal programs and issues. GAO needs to be in as strong a position as possible to provide the Congress with the assistance and support it needs to deal with these issues.

1988 REQUEST

Currently we are operating with fewer resources than we need to handle our large congressional workload. This was not always the case. In 1981, only 40 percent of our resources were devoted to direct congressional assistance. That percentage grew to 79 percent in 1986. The current figure is over 80 percent.

We plan our work around 36 areas of interest. In many of these areas, almost 100 percent of our resources are being used on congressional request work; other areas are at the 80- and 90-percent levels. We have strengthened our planning process to ensure that our scarce resources are well allocated, and we have undertaken several initiatives to streamline our operations and make more efficient and effective use of our resources. These continuing efforts will make additional resources available for use on congressional request work. However, we do not expect that these efforts will entirely satisfy the growing demands. I am concerned that we will soon reach a point where we will not have the flexibility needed to respond properly to priority congressional requests. Given our current congressional request workload and the continuing trend for that work to increase it is becoming more critical that we bring our staffing to the 5,500 level in order to properly meet the demands being placed upon us. By beginning with an additional 100 staff in FY 1988 and gradually working toward the 5,500 level I am confident that we can support the Congress in a timely and effective way.

Last year I stressed that a strong, well-staffed GAO would be one of the most important assets the Congress could have for making the difficult decisions necessary for reducing the federal budget. I believe our record in fiscal year 1986 supports this statement and we very much appreciate this committee's support.

I believe that continued support by the committee and the Congress will lead to similar successes in this and future years. GAO's role in identifying areas where government can be improved and substantial savings can be realized should continue to be very important to the Congress as it wrestles with how to achieve the savings necessary to meet deficit reduction targets.

Accordingly, the additional 100 average positions which we have requested for FY 1988 will be used in areas with strong congressional interest.

--40 in the defense areas to respond to steadily increasing congressional concerns about a significantly increasing defense budget.

--25 to respond to increasing congressional inquiries on highly complex ADP, telecommunications, and information resources management issues.

--25 for expanding the number of agency financial audits and to promote the development and maintenance of accounting and internal control systems that produce complete, reliable, and timely information on operations results for use by agency and congressional decisionmakers.

--10 to respond to strong congressional interest about the soundness of the financial services industry and about the insurance industry's alleged profitability crisis and its emerging role as a major financial intermediary competing with banks and securities firms to provide financial services.

As I said at the beginning of my statement, 47 percent of the additional funding requested for fiscal year 1988 is to meet mandatory pay and related costs and price-level changes. Most of these cost increases result from legal requirements and other federal agency billings over which GAO has minimal control.

We have taken several actions to adjust our staff resources to the maximum extent possible to accommodate new requirements. We absorbed the requirements placed upon us by Gramm-Rudman and by the Competition in Contracting Act, and we have established a special unit to handle some of the more difficult investigative work we are increasingly being required to do. During 1986, 35 pieces of new legislation or committee reports requiring GAO to perform some review and evaluation function were approved by the Congress. We have absorbed increased workload with our 1987 staffing levels that covered major national issues such as immigration, tax reform, new drug programs, the Iran/Contra Aid issue, and work related to the Securities and Exchange Commission's Boesky Affair. I am concerned that we have reached the point in absorbing increased work where our ability to respond timely is of concern to us. We appreciate the Committee's support in helping us obtain the resources necessary to meet demands being placed upon us.

In the area of Program Increases, we are seeking major funding support to implement our new 5-year Information Resources Management Plan, Telecommunications initiatives, and our facilities restoration following asbestos removal. The ADP and Telecommunications initiatives are designed to give our staff the tools they need to do their jobs more efficiently and effectively. The facilities restoration is associated with the asbestos removal currently underway in our main building and with mandatory moves of regional offices out of leased space.

ADP Initiatives

Long Range ADP Plan. Completed in fiscal year 1986, GAO's strategic Information Resources Management Plan establishes a 5-year plan to meet the agency's need for information systems and mission support processing. The plan has two broad goals: (1) to integrate GAO's administrative systems through shared data bases and (2) to provide GAO's line staff with consistent office automation support and high-quality, readily accessible computing capacity to execute assignments.

For fiscal year 1988 we plan to build upon work that is being undertaken in fiscal year 1987. GAO is analyzing the software, hardware, and services available at a variety of sites for administrative processing; the most promising of which is the Department of Agriculture's National Finance Center (NFC). GAO is currently investigating the possibility of entering into an interagency agreement with NFC for the use of its combined Personnel, Payroll, and Time and Attendance (T&A) systems and for hosting additional GAO systems or for joint development of related administrative systems. In addition, GAO will complete the first phase of a shared-resource pilot project to define the mid-range mission support/office automation processor and has planned a second phase to more specifically define headquarters' requirements.

As a preliminary step in GAO's long-range plan, an interim financial management system (FMS) became operational in September 1986. The system is an integrated, on-line, financial system that replaces the many independent systems previously used to process the agency's financial data.

Telecommunications Initiatives

Telecommunications planning is a relatively new activity for GAO and other legislative branch agencies. In fiscal year 1986, this committee directed GAO to work with the Architect of the Capitol and the heads of the other legislative branch agencies to develop an overall plan for satisfying the telecommunications requirements of these agencies. These efforts are intended to produce an effective solution to local voice/data requirements.

Facilities Restoration Program

We are currently developing a long-range plan for facilities modernization that will upgrade our buildings' systems and reconfigure the space to accommodate office technology. We plan to request funding for this effort next year. For fiscal year 1988, we have requested funding to (1) restore some space in the main GAO building after renovating the heating, ventilation, and air-conditioning systems and removing all asbestos materials and (2) renovate regional offices when they are moved to new locations due to lease expirations.

As you are aware, the General Services Administration (GSA) is renovating the GAO Building's heating, ventilation, and air-conditioning systems and removing all asbestos from the premises. GSA is currently working on half of the 7th floor and half of the 2nd floor of the building. After GSA completes its task of removing the asbestos we are required to reconstruct the space to accommodate staff. In doing so, we are only replacing those items that must be replaced due to the asbestos removal efforts. We are purchasing replacement items that will complement our facilities modernization plans. For example, we are planning to acquire pre-wired modular partitions rather than the basic hard-board type to resolve our cable management problems and will replace standard office furniture, as needed, with systems furniture to use space more efficiently.

Restoring our office space after asbestos removal will be costly, but maintaining a healthy work environment for our employees is essential.

Pay-for-Performance Initiative

There is a matter of personnel administration that I would like to bring to the Committee's attention. We have been examining for a number of years how best to achieve a most highly motivated and productive staff. We have concluded that it would make a lot of sense to institute pay for performance and what we call a broad banding concept to pay the organizational elements of our present system. Under broad banding, we would be able to develop a more cohesive team approach to the work we do without being constrained by hierarchical restrictions of the current general schedule system.

Since additional funds would be required to cover a pay for performance system, I did not want to move ahead on this kind of major undertaking without Congressional support, particularly the support of this Committee. We would not be prepared to implement a new system until fiscal year 1989 at the earliest. However, I felt it important to alert the Committee in advance.

CONCLUSION

GAO has proven its ability to assist the Congress in dealing with the budget deficit and other issues of national importance. Our budget request for 1988 represents the funding necessary to help GAO keep pace with the tremendous increase in congressional workload, provide our staff with the tools necessary to perform work more efficiently and effectively, and safeguard the health and well-being of our staff.

FISCAL YEAR 1987 SUPPLEMENTAL REQUESTS

We are requesting $7,468,000 in supplemental funds for fiscal year 1987. This request includes $3,905,000 to cover the cost of paying for the 3-percent civilian cost-of-living adjustment that became effective on January 4, 1987, and $3,563,000 to cover the increased retirement contributions mandated by Public Law 99-335, which established the Federal Employees Retirement System (FERS).

GAO will require $5,005,000 to pay for the January cost-of-living adjustment however, we believe we can absorb $1,100,000 of that requirement. We also plan to absorb the salary increases for executive-level appointees and elected officials which became effective on February 4, 1987. This change will cost GAO an additional $220,000 for fiscal year 1987. In total, we are planning to absorb 25 percent of our fiscal year 1987 supplemental pay requirements.

We are unable to absorb any of the increased costs associated with the new Federal Employees Retirement System. GAO's fiscal year 1987 budget was submitted before Public Law 99-335 was passed, and it did not address the impact of FERS-mandated costs. Since the Congress funded only the mandatory pay and related costs and price-level changes that we addressed in our original submission, no funding was provided or is now available for meeting any of this part of our supplemental request.

Personnel costs in fiscal year 1987 make up 76 percent of our budget, the same level as in fiscal year 1986. We would like to absorb more of this request, but we have examined closely our financial requirements and find it impossible to free up funds at this time without seriously disrupting our operations.

We will however, continue to review our financial requirements and will notify the committee should we identify funds to offset more of our supplemental request.

MULTIPLICITY OF GOVERNMENT ACCOUNTING SYSTEMS

Senator BUMPERS. Thank you very much, Mr. Bowsher.

I was really stunned when you said that we had 450 separate accounting systems in government.

Mr. BOWSHER. That is right. I think that number is even understated, Mr. Chairman. We get that number from the agencies' financial integrity reports. It is the best number we have had in recent years, so I do not want to be too critical of it.

What we have in the federal government today is something that really goes back to decisions that had to be made during World War II. From 1921 to 1941 we were the General Accounting Office for the entire government. In 1941 when the war broke out and the government expanded at a tremendous rate, GAO went from 2,000 to 14,000 people. But one agency could not do all the voucher checking and bookkeeping for the entire government.

After the war, under Harry Truman, Jim Webb being the Director of the old Bureau of the Budget, and Lindsey Warren, who had my job at that time, decided—and I think it was a good decision at the time—that each agency would have its own accounting system and GAO would become the auditors. That was the big change. Again, that was probably the right decision for 1950.

But today, 37 years later, despite modern computers and technological advancements, the government is trying to keep all those old systems going. We do not get timely information. In the defense area, much of the financial figures that are sent over to the Congress are really based on estimates, work sheets, and telephone calls to the prime contractors. Their SAR reporting system, which is used for the major weapons programs, is interfaced with the official books only once a year.

What we have here is a very antiquated system of keeping accounts and recording how a trillion dollars is spent. Now that we are a trillion-dollar operation, I think that this is an area that has to be modernized and improved upon. At some time, I think we should move forward.

Senator BUMPERS. You have no direct computer access to any of these accounting systems? In other words, if the Congress requested you to do a study of a particular agency, you have to go down there and, first of all, familiarize yourself with that particular system?

Mr. BOWSHER. That is correct.

Senator BUMPERS. There are no buttons you can push in GAO that ties you into their accounting system?

Mr. BOWSHER. No, no. What we have to do is just what you describe. We go to the agency. Sometimes we download some data from their computers into our computers to do the audit. That is the way more of the auditing is being done today. There is no single place that you can go to where you can see the total picture.

Senator BUMPERS. It seems to me like that is a terrible waste of manpower.

Mr. BOWSHER. Let me give you an illustration. I was visiting our Boston office 2 or 3 weeks ago. I went to visit, as I try to do when I go to our regional offices, one of the federal installations in that area. I visited the IRS Service Center outside of Boston. This is where people send their tax returns.

If a person up there is getting a refund, that person's return is processed in that big Boston center. Then IRS actually sends computer tapes either by airplane or by truck down to West Virginia to the central IRS computer center. If IRS has to issue a check, as it does for a person who is due a refund, it has to take that to a Treasury center in Philadelphia.

All of that is 1950 technology. That is all tape technology. Much of the systems throughout the federal government go back to those old computer tape systems. Some of them have been modernized a bit, but basically we are looking at very old technology.

I visited the Air Force Accounting and Finance Center in Denver some years back. It had one of the oldest IBM machines I have seen in recent years sitting in the center of what is otherwise a modern computer center. That is what they need to interface with the Treasury system. We have a situation that needs modernizing.

SOURCES OF REQUESTS FOR GAO WORK

Senator BUMPERS. Mr. Bowsher, to whom do you respond? Who can make a request for a General Accounting Office study that you are by law required to respond to?

Mr. BOWSHER. It is basically the committees, Mr. Chairman. We plan our work in 36 different program areas. In the defense area it is the major weapons systems, the manpower, logistics; in health, it is the financing, the other health programs, and the income security programs.

We do that in consultation with the staffs and the Members of Congress through the committee structure. In other words, what does the Armed Services Committee really think we should be working on? We tell them what we think are the areas that need review.

Just to give you a little history, when Elmer Staats, my predecessor, came into office, GAO was really only getting about 15 percent of its work directly from Congress. In other words, they were self-initiating 85 percent. Elmer thought that was too small a percentage, so he worked on getting the committees and the GAO working closer together on what work they do. When he left office, 40 percent of GAO resources were devoted to congressional request work.

Now, not quite 6 years later, we are up to 80 to 90 percent of work that is requested by the congressional committees. We even have some areas that are close to 100 percent.

Today, we can self-initiate some work in most areas, but we are fast running out of the capacity to self-initiate a lot of work. The self-initiated work is important because many times when our people are out on a job, they see certain things that need further study.We would like to reserve some capacity and flexibility for self-initiated work, even though a congressional committee may not be quite, at that point, ready to send us a request.

GAO STAFF COMPOSITION

Senator BUMPERS. Are most of your professionals accountants?

Mr. BOWSHER. No; they were at one time. During World War II when our staff increased to over 14,000, that was mostly clerical people. Then they came down to about 4,000 roughly, and most were professional accountants. In other words, it was much like a CPA firm.

Then as Congress asked for more and more of our work and our studies, they were really asking how the programs were working. In addition to adding up the numbers and finding out where the financial things stood, they were asking, "Is the B–1 bomber working?" in addition to, "Is there a cost overrun on the B–1 bomber?"

For the last 20 years, GAO has been expanding the disciplines of the professional staff. Today we have a multidisciplined group of professionals. We have engineers, attorneys, economists, social scientists, and psychologists. We bring to bear on all of these different jobs people who have certain backgrounds, training, and experience to get the right mix on the team to do whatever job needs to be done.

B–1 BOMBER

Senator BUMPERS. Are you still involved in the study on the B–1 bomber?

Mr. BOWSHER. Yes; very much so. We just testified last week, and we are continuing to do work on the B–1 program.

Senator BUMPERS. Let me ask you this. If the Armed Services Committee had asked you before the first B–1 bomber was built; for example, we built four prototypes of the B–1A, built no prototypes of the B–1B, and therein apparently lies the problem. They started building a bomber without building one to test first.

Mr. BOWSHER. That is correct, Mr. Chairman.

Senator BUMPERS. Would you have had the capacity and the ability, if the Armed Services Committee had asked you, to make a determination at that time—this is sort of a hindsight question—whether or not it was logical to proceed with the building of a bomber without building a prototype first?

Mr. BOWSHER. We definitely would have, and we have on several programs in the defense area. This is a very key question, and that is, Do you run a concurrent program and, therefore, do limited testing, or do you build prototypes and what they call "fly-before-buy" and then decide the production schedule and estimates and everything like that?

We have issued several reports in this area, and we tend to always conclude that unless there is a tremendous threat—and you have to take risks—it is better to build the prototypes and do the testing the way you should. If you do not take these steps, you are taking risks. That is what has happened here on the B–1 program.

Senator BUMPERS. Did GAO have any information? Had you done any studies on the four prototypes of the B–1A that were built? Had you ever reported to Congress?

Mr. **Bowsher**. That was before my time.

Milt, do you remember?

Mr. **Socolar**. We would have to research it.

Mr. **Bowsher**. I suspect we have, but I would have to research that because I came into office in 1981.

[The information follows:]

GAO issued a series of studies between March 1971 and February 1977 on the B–1A aircraft program which summarized the cost, schedule, and technical issues associated with the program.

CONTRA AID PROGRAM

Senator **Bumpers**. Do you have an ongoing study on what is happening to the money we are sending to the contras?

Mr. **Bowsher**. Yes; let me explain that.

Senator **Bumpers**. I have read your report on the $27 million in humanitarian aid.

Mr. **Bowsher**. Good; I am glad you have. I think everybody should read that report.

Senator **Bumpers**. I have never been for the B–1, or aid to the Contras, either one, so you know where I am coming from.

Mr. **Bowsher**. Let me take up the Contra aid issue. We have been doing quite a bit of work in Central America for the last 4 years, and we have been reporting to the committees. Our work has generally been classified, therefore, the hearings have been closed. But we have seen problems down there. Since you have read our report on the $27 million program, I think you can see that we did not issue a favorable report.

Senator **Bumpers**. Hardly.

Mr. **Bowsher**. Right. The State Department said we were trying to hold that program to a higher standard of accountability and auditing than we should. That is just bunk. All we were trying to do was find out where the money went.

Senator **Bumpers**. I am glad you have a 15-year term so you can say what the State Department says is pure bunk. I could not agree with you more.

Mr. **Bowsher**. All we were trying to do is find out where the money went. The $27 million program was run by the State Department supposedly for humanitarian aid. The Department set up a system which did not allow State's auditors to monitor transactions in Central America. State said this was because the host country would not let them in. State also refused to allow GAO auditors to go down there to audit the program. But we were going down there for other requests.

Finally the committee subpoenaed the bank records from several Miami banks which had received payments under this program.

Senator **Bumpers**. Was this the Foreign Relations Committee?

Mr. **Bowsher**. It was the House Foreign Affairs Committee.

The committee subpoenaed the records which showed disbursements from the account. We looked at the payees on those checks and compared that to the information the State Department gave us supporting payments under the assistance program. It did not match in most cases.

Then we started asking questions about these discrepancies. When we issued that report the State Department said that we were holding this program to too high a standard of accountability. I disagree. What we did was basic auditing. There was nothing high tech about it.

As indicated in our report, we were concerned about currency speculations, seemingly in appropriate payees, and a few cases where the money actually went for arms.

The State Department kept explaining to us that if we could only see the intelligence reports, we would see adequate support for the way this money was spent. So we said, "Let's see the intelligence reports; we have people who are cleared." They said, "No; you cannot see them because they are at the CIA."

So we had to issue the report which said we cannot fully account for that $27 million.

Senator BUMPERS. I really appreciate your candor and your toughness on that issue, Mr. Bowsher. That is the fullest fulfillment of your responsibility, as far as I am concerned. That is the reason I have an immense respect for GAO, because they have never backed down on those things. Sometimes your conclusions do not match my ideas about what they ought to be, but I have always admired your professionalism.

Obviously, the documents of the intelligence committees, CIA, for example, if they had support there, they would happily show that to you. I was a trial lawyer for 18 years. I know how people respond to those kinds of things.

So far as the pay-for-work concept is concerned, I certainly agree with that concept. I wish we could put more kinds of incentives in the federal government like that, where people are rewarded for what they do and not necessarily punished or penalized but just not paid for what they do not do. So I am looking forward to getting a more detailed report from you on how that might work with maybe some definitive examples of how you envision it working.

PERFORMANCE-BASED PAY PLAN

Mr. BOWSHER. We would like very much to make that presentation to you, because the civil service reform legislation that was passed a few years ago allowed for experimentation in such areas as pay systems or pay for performance. There have been only two experiments, both of them in the Navy Department. One is at a research center in San Diego, the other at China Lake.

I thought our system would be another approach. Although we have studied the two Navy experiments very carefully in designing our own, I truly believe that if other agencies like ourselves would try some of these, the Congress would have a better idea of how they might work in the large agencies. So I would like to go forward.

One thing I would like to say about our system is that I am not sure it can be completely cost-neutral the first couple of years as the new system is implemented. In other words, the OPM people are saying to everyone that when they convert the executive branch, they will do it strictly on a budget-neutral basis. I just want to be very up front that as you make some of these changes from one pay system to another, you are not quite sure how that one-time adjustment, which will last more than 1 year, might work out.

We think we have studied it enough to estimate it would not be more than, say, 3 or 4 percent. But we would try to lay that all out for you.

Senator BUMPERS. Thank you very much.

Senator Grassley?

B-1 BOMBER

Senator GRASSLEY. I have found you very cooperative, not just you but the entire organization, on efforts that I have made to ferret out waste in government spending. In the same vein, and not as forcefully as I should, I want to associate myself with the remarks of Senator Bumpers that he said about how we appreciate the work you are doing.

My first point is not a question but just a reminder along the subject of waste and defense. In a little amendment that I got adopted in, I think, the summer of 1983 on the pricing of the B-1 bomber, we asked the Defense Department to recertify that cost for those bombers which I think it said was going to be $20.6 billion.

We did not believe that was true. I think we got a lot of evidence lately that if that is true that there is some other way DOD is going to make up its costs.

Then that amendment followed on at a later date: We want the General Accounting Office to certify if that is a correct figure and if they did come in under cost, however you define "under cost" or "at cost." I think it is about right now that the first 50 are in process that I think we want that certification made by you, I believe.

Mr. BOWSHER. I think that is right.

Senator GRASSLEY. So you might go back to that legislation.

Mr. BOWSHER. We will go back and check. I know my people are working on the program; we testified the other day. I am not quite sure in my own memory as to where we stand on the certification, but I will check that and get back to you.

[The information follows:]

During 1984 GAO examined DOD's B-1B cost projections made pursuant to section 1240 of the 1984 Department of Defense Authorization Act. At that time, GAO worked closely with Senator Grassley's office and the office of the chairman, Subcommittee on Defense, House Appropriations Committee. The results of GAO's work were presented at staff briefings.

Senator GRASSLEY. I am not sure you are supposed to be so heavily involved right now. But it is at a point where, I think, you are supposed to get heavily involved right now, because we did not feel like it was to much of an advantage if you would do it after the 20th. I think after the 50th, I believe, is when we were going to do that.

Mr. BOWSHER. I think you are right, Senator Grassley, that the program is close to that right now.

Senator GRASSLEY. I guess this is a question that you have already touched on. You gave us this figure of $10 billion of the $18 billion of savings that you found have been in defense. Last year you gave me a report on the potential for excess funds in DOD. Do you think that as far as your report to me you covered that $10 billion or we are talking about a new $10 billion?

Mr. BOWSHER. No; the $10 billion that I am talking about there did include a portion of that report that we did for you.

Senator GRASSLEY. Considering we are 5 months into the fiscal year, that could potentially be $4 billion or $5 billion. Maybe I ought to have you give me an update on that.

Mr. BOWSHER. I think that would be a good idea, because that is an area that needs careful scrutiny.

FARM CREDIT

Senator GRASSLEY. Also in the way of an update but not an answer right now, is still the farm credit situation which is a very serious problem in the Midwest—I guess all over the United States, but I am most acquainted with the dire straits of the situation in the upper Midwest. I would like to have you advise me on any follow-on work that is currently underway on that.

Mr. BOWSHER. We would be pleased to do that. We are doing a management study of the farm credit situation, and we are very close to being able to issue that report. I know it is for a specific committee, but as soon as the committee releases it we will provide you with copies.

Senator GRASSLEY. I cannot speak for the other committees, but as I see this problem coming before the Congress, it is just a matter of 2 months before the administration has got to be up here with some sort of plan for the farm credit system.

Mr. Eowsher. We agree; that is getting very close.

Senator GRASSLEY. So I would hope that you would have your work done prior to their coming up here.

Mr. BOWSHER. We will.

AUTHORIZED STAFF-YEAR LEVEL

Senator GRASSLEY. This is a little more specific, along the work of this committee here. This is in regard to the fact that Gramm-Rudman-Hollings affected your authorized positions by reducing that to 5,042. In fiscal year 1987 there was no increase provided by the Congress for salaries and expenses; yet your justification material indicates the level of authorized positions to be 5,100. Could you explain how that would occur?

Mr. BOWSHER. Yes. The 5,100 average positions were authorized`by the Congress for fiscal year 1987, but funding was available for only 5,042 average positions. What they were saying is: We want you to get back up to the 5,100, but we cannot give you all that money. We understood that, and we have been hiring our people to stay within that limitation.

RENTS, COMMUNICATIONS, AND UTILITIES

Senator GRASSLEY. Then I have a question that would relate to your request that is categorized as rent, communications and utilities. It is about the phenomenal increase in that request. My understanding is that you are seeking an increase of $10.5 million in this category, and this comes after a 1-year increase last year of $7.5 million in that same account. So what would explain that dramatic increase, not just this year but even the dramatic increase last year?

Mr. BOWSHER. That is our dilemma. We are in the public buildings of GSA, so we have to pay the rent for our main building here in Washington and for our regions at the rates imposed by that agency.

Senator GRASSLEY. Most of that is rent then, not communications and utilities?

Mr. BROWN. It is primarily rent.

Mr. BOWSHER. Then of course, we also have the additional cost of swing space while the asbestos is removed from the building and the renovations are being made.

Senator GRASSLEY. Then most of that money is going out of the government's right-hand pocket into the government's left-hand pocket; is that right?

Mr. BOWSHER. That is correct.

TRAVEL

Senator GRASSLEY. On travel, I want to ask about this increase of $2.9 million. Specifically what I would like to know is by what amount would this figure be reduced if your requests for increased positions happen to be cut by, we will say, one-quarter or one-half or if we cut that entirely? Another way to ask the question: Is it basically for more travel for existing employees, or is it for travel for the additional employees you are requesting?

Mr. BOWSHER. The $966,000 is for the price level increase for our existing staff, and $344,000 would be for a staffing increase. If I could also give you a little history on our travel, that was one of the areas we had to reduce as part of the Gramm-Rudman-Hollings sequestration.

Travel is very important to us because we have to get our people out to the program we are auditing. One of my great worries when I first came into office was that if our people in the Washington headquarters, where half of our people are, were not out working with our regional people, we would not get our reports done on a timely basis; and many times, unfortunately, we might even get data from the field that our Washington people recognize as not being germane to the report in process

We have to have our people traveling as auditors out to the site. Our work on the B-1 bomber, as a good example, is mostly done at Wright-Patterson AFB in Ohio. We have an office in Cincinnati, and we use our experienced people from that office to do that work. But the senior people in Washington, who will have to testify, must go to Wright-Patterson and work with that team in order to get the right report produced in a timely fashion.

To me, the three areas that are most important to GAO's ability to do our work are: Properly training our people; adequate travel to get the jobs done; and third, purchasing of microcomputers and other equipment that our people need to do their work, since so much of the information is now in computers in whatever area we are auditing.

Senator GRASSLEY. Just for clarification—and this happens to be my last question—you gave me the figures $966,000, $344,000, but there still would be $1.6 million of the $2.9 million that you did not account for.

Mr. BOWSHER. You are absolutely right; I missed one column. In fact, I gave you incomplete information.

The $1.6 million is for increased travel by the current staff. There is $966,000, which covers the price and per diem increases. The $344,000 is for the staffing increase. So I gave you incomplete numbers.

Senator GRASSLEY. I will have some questions in writing on a couple other issues.

Mr. BOWSHER. Senator, I can also assure you that any time your staff wants to go over any of these detailed numbers, our staff is ready and has worked very closely with your staff over the years.

Senator GRASSLEY. Thank you.

Senator REID. Thank you, Senator Grassley.

Mr. Bowsher, I have a couple of questions. Who investigates you?

PEER REVIEW

Mr. BOWSHER. Good question. Ten years ago, maybe even 15 years ago, the SEC started asking the question that you just asked on auditing in the private sector: Who audits the auditor? One of the things SEC pushed for was peer reviews. SEC said, "We think that you ought to have a peer review." The auditing profession resisted that; but when they had some problems develop, all of a sudden they agreed to it.

Today it is common. In other words, all the big auditing firms are peer-reviewed every 3 years. I think the GAO should be, too. We peer review the IG's.

One of the things I started when I came into office was an internal review of our work. We call it PAQRS.

Senator REID. What does that stand for?

Mr. MCCORMICK. Post-assignment quality review system.

Mr. BOWSHER. A special team of GAO people looks at the assignments after they have been completed to see if they were done properly, if the evidence was gathered, the work papers were done, and the proper review and supervision were provided. Now we are ready to bring in some outside people to do it, but we have not quite decided on how we are going to proceed or who will perform the review. We are hoping to start some part of it during fiscal year 1988.

Senator REID. When you get your plans in order, would you give me a brief summary of what you plan to do?

Mr. BOWSHER. We would be pleased to do that. I might point out, Mr. Chairman, that the House Government Operations Committee held oversight hearings on us, and we produced a lot of material for those hearings. I think the peer-review process is important for all auditing and review organizations. I personally think GAO should have it.

SOURCES OF GAO ASSIGNMENTS

Senator REID. In the written information you gave us, you said in fiscal year 1986 you issued 850 reports, 671 of which were requested by committees and Members of Congress. Who requested the others, just generally?

Mr. BOWSHER. We generally self-initiated those others.

Senator REID. So a couple hundred were initiated by yourselves.

Mr. BOWSHER. Yes; but what I want to point out is that when you see this year's statistics, you will see a higher percentage of the congressional requests and a smaller percentage of the self-initiated ones.

GAO WORK ON NUCLEAR ENERGY

Senator REID. You made that clear. Also in your written report, you indicated that you spent some time assessing the safety issues of nuclear energy. I am interested in the work that you have done. You have indicated here: "GAO was able to assist the Congress by analyzing critical issues, such as the potential for serious nuclear accidents, dangers involved in disposing of radioactive wastes." Regarding that part of it, I would certainly be interested in anything in writing that you have.

Mr. BOWSHER. We would be pleased to send those reports to you.

GENERAL SERVICES ADMINISTRATION

Senator REID. If you could get those to me as soon as you could, I would appreciate it very much.

Changing directions a little bit—and this is probably an inappropriate time to bring this up—but I have always had a pet peeve with the General Services Administration. I used to like to work on Saturdays, when I would go back to my congressional offices. They charged me for air conditioning the whole building on those weekends, which made it a little tough for me to come in on weekends. So I moved out of the federal building.

In Las Vegas, which is a rapidly growing area, probably one of the two or three most rapidly growing areas in the country, we have a tiny, little federal building there. Yet GSA will not ask Congress for construction funds for a new building. There are rentals from all over that county. The last account I got well over a year ago was it is in the millions of dollars they are paying for rent.

It seems to me, spending $2 million or $1 million a year, that you could build a fairly nice facility. Again, this is not the place to do it, but I have done it anyway. I would request that you look into that, to make a decision as to the cost-effectiveness of renting all this space, not counting the efficiency involved in people having to travel to different buildings to visit different agencies. If they want to go to IRS, they go one place. If they want to go to Social Security, they hire a cab and go someplace else, if they have the money, or walk. It works pretty well for making people not want to bother with the federal government, because they wear you down physically, running all over that county.

Mr. BOWSHER. Mr. Chairman, I would like to answer in two parts. One is that I certainly share your frustration on that Saturday work. Our people do quite a bit of work on Saturdays and weekends to get our reports done on a timely basis. We also have to pay, just as you have to pay, for the whole building, even in our regional offices. So I certainly understand that problem that you have raised.

The second thing is that Terry Golden, the new Administrator over there at GSA, I think is really on top or getting on top of this problem that you have raised about leasing all this rented space spread all over the place, and then having to even pay higher rents later on, because that happened to us in some of our regional offices. All of a sudden a building that was being leased at a certain rate per square foot, 10 years, 15 years ago, now charges much more.

The federal government over the years has tended to lease because of the budget process. In other words, in the budget process, it keeps the deficit down if you just have to pay rent this year. But over a 10-, 20-, 30-year period, it is just as you are indicating: you have probably paid far too much for your space compared to, as Terry Golden says, what you would have paid if you had built the building and maybe had had the private sector maintain it.

Senator REID. Not counting the efficiency of the whole matter.

Mr. BOWSHER. Not counting the efficiency that you just pointed out about the person trying to go to one building and deal with the federal government.

So he has some new plans, and I would encourage you to meet with him or have him come over and meet with you and just listen to his plans. I think they have some real promise.

We are reviewing those plans, and we should be able to give you a good critique on this issue sometime this year. We would like to do that. We would be happy, also, to send to you information on anything we have done in the past.

MANAGEMENT REVIEWS

Senator REID. I have one more question. You talked about some management reviews that you have done. One agency that you did not mention was the Internal Revenue Service. Are you going to do that?

Mr. BOWSHER. We are currently in the process of doing that one.

Senator REID. When might that be completed?

Mr. BOWSHER. I think about a year from now. These are very big jobs, requiring big teams and big efforts. I think a year from now we will be ready.

Senator REID. I have no further questions. Thank you very much for your informative testimony.

Mr. BOWSHER. Thank you, Mr. Chairman.

SUBCOMMITTEE RECESS

Senator REID. This subcommittee stands in recess.

[Whereupon, at 11:45 a.m. Thursday, March 5, the subcommittee was recessed to reconvene at 2:15 p.m. the same day.]

(AFTERNOON SESSION, 2:13 P.M., THURSDAY, MARCH 5, 1987)

OFFICE OF TECHNOLOGY ASSESSMENT

STATEMENT OF HON. TED STEVENS, VICE CHAIRMAN, CONGRESSIONAL BOARD, OFFICE OF TECHNOLOGY ASSESSMENT

OPENING REMARKS

Senator REID [presiding]. This subcommittee will come to order.

We appreciate everyone being here today, and I apologize for being late. We will have as the first witness today the Office of Technology Assessment.

Will Mr. John Gibbons come forward?

Senator Stevens, do you have a statement to make at this time?

STATEMENT OF SENATOR STEVENS

Senator STEVENS. Thank you, Mr. Chairman. I would like to submit my statement for the record.

I have been the Chairman of the Office of Technology Assessment now for two Congresses. I want to emphasize to the committee my feeling that the Office of Technology Assessment represents a concept of shared staff. By virtue of this organization, committees of the House and committees of the Senate share this staff rather than each committee having jurisdiction over these areas having the job of hiring redundant staff.

I do believe that by virtue of this Office that we have created, we do the work that is necessary for a series of using entities within each House. Mr. Gibbons and his associates save money for the legislative branch of the government. I would urge you to look at that as you review this request which I do support, as stated in my statement.

I appreciate your courtesy. Thank you very much.

Senator REID. Thank you, Senator Stevens.

[The statement follows:]

STATEMENT OF SENATOR STEVENS

Mr. Chairman, thank you for the opportunity to testify in support of OTA's appropriations request. As Congress seeks to balance the need for government services with the need to control government spending, OTA plays an ever more important role. Technology is a pervasive element in most legislation considered today—whether it concerns genetic engineering, expansion of medicare benefits, or intellectual property protections—and Congress requires expert information on these issues from a source within the legislative branch of government. OTA provides this service at minimal cost by serving as a common analytical resource for the committees. Therefore, Mr. Chairman, I believe that an investment of $19,270,000 in OTA would be money very well spent.

The close of the 99th Congress marked the end of my second 2-year term as Chairman of the Technology Assessment Board. The 99th was a productive Congress, tackling many issues critical to the nation's future, and OTA contributed by providing timely information to assist every stage of the congressional process.

One recent OTA report, "Protecting the Nation's Groundwater From Contamination," stated, among other things, that groundwater contamination has occurred in every state and is being detected with increasing frequency. This study provided support for the 99th Congress to expand legislative authority to curb growing groundwater pollution problems, legislation that will require further attention during the 100th Congress. OTA has also, during the past several years, published several reports that were very useful during reauthorization of Superfund: "Technologies and Management Strategies for Hazardous Waste Control" (fiscal year 1983); "Superfund Strategy" (fiscal year 1985); and "Serious Reduction of Hazardous Waste" (fiscal year 1986). The availability of these detailed analyses before and during the debate preceding congressional action is evidence of OTA's increasing ability to anticipate issues of substantial concern to the Congress.

OTA has also demonstrated continued improvement in its ability to respond quickly to congressional needs for information—drawing from both completed and ongoing work. A staff paper, "Passive Smoking in the Workplace: Selected Issues," was produced by OTA's health experts on very short notice as the Congress turned its attentions to the subject of workplace health. "A Special Report for the 1985 Farm Bill" contributed to that major piece of legislation, and OTA has provided testimony and briefings to the Members and staff who continue to work on improving basic farm legislation.

Mr. Chairman, I strongly believe in OTA's importance as a shared resource of Congress. Both Houses of Congress depend upon the services provided by OTA staff, and a study done by OTA is freely available to all of Congress and need not be repeated by the staffs of committees with overlapping jurisdictions or in different bodies. As budget pressures force cuts in the staff time and resources available to committees, OTA and the other support agencies will be asked to take on more and more assignments. I hope you will look favorably upon OTA's budget request for fiscal year 1988, and fund the agency at a level that will permit it to sustain its high level of achievement.

Senator REID. This afternoon the Subcommittee on the Legislative Branch completes its hearings with testimony from three congressional support agencies and outside witnesses. Our first witness today will be Mr. John Gibbons, Director of the Office of Technology Assessment.

Your statement that has been prepared will be made a part of the record. I would ask at this time that you summarize your statement for the committee, please.

STATEMENT OF JOHN H. GIBBONS, DIRECTOR, OFFICE OF TECHNOLOGY ASSESSMENT, U.S. CONGRESS

Mr. GIBBONS. Thank you, Mr. Chairman.

I would like to make a few remarks about the content of my statement. The first half-dozen pages describe how OTA works, the kind of work we do, and the fact that we merge the interests of committees of jurisdiction in both the House and the Senate and the interests both of the majority and minority members of those committees.

HOW OTA WORKS

I think you know, Mr. Chairman, that we have a congressional board, on which Senator Stevens is currently Vice Chairman and was Chairman in the 99th Congress. We serve committees rather than Members directly, although our products are available to all Members.

We have a staff of a little over 100 professionals, and a total staff of about 143 people. The staff is a mixture of people trained in the natural sciences, engineering and medicine on the one hand, and social science, economics, political science, law on the other hand; about half and half.

We do 15 to 20 major studies a year and, in addition, carry out some special responses that draw upon either current or completed work. Our major studies last anywhere from about 12 or 14 months up to 2 years.

INTERAGENCY COORDINATION

Now, in those first six pages I also cite eight examples of how we operate in conjunction with our sister agencies in the legislative branch and also with other people both in the other branches of government as well as outside government.

I am gratified, Mr. Chairman, that we continue to receive a lot of compliments both from inside and outside government. I think the compliments reflect the quality of the people at OTA and, importantly, the productive relationship that has been developed over the years between the committees of Congress and the agency. A key ingredient of that productive relationship, I believe, derives from our having the bipartisan, bicameral congressional board.

On pages 6 to 12 of the testimony, I speak about the relationship of our work to the legislative activities of Congress, and I give 14 examples. I thought this afternoon I might just mention one of those examples, in this case on page 12 of the testimony.

This work we did on the transport of hazardous materials was delivered last year to the requesting committees. You will note in the long paragraph that describes the work that I try to give an indication of how the work has actually been used by the requesting committees up to this date. Of course, much of OTA's work deals with issues that are not resolved suddenly and quickly, and there is a long shelf life to many of these studies.

FORM OF OTA STUDIES

Mr. Chairman, because I have not talked about the form of the OTA studies, I though I would indicate to you today a little bit about that. The work we do is comprehensive, and if it is to be authoritative and trustworthy, it needs to be well documented. So our formal reports are always bigger than you would ever care to read. But that is of necessity, because the report forms the solid foundation on which we can then write a more succinct summary and then be prepared to write a page of bottom lines of the study.

We provide this information in hierarchical form because we know that people such as yourself may only have time to read a page or a paragraph about an issue. If that page or paragraph is backed by a very careful process, then the statements we make in that page or paragraph can have the kind of weight that merits the attention of policymakers.

During the course of our analysis, which sometimes takes up to 2 years, we are called upon for intermediate results, or interim outputs. In the case of the study of transport of hazardous materials, we recognized certain issues as being as much state and local concerns as federal. So we released an interim special report on state and local activities that was used not only by the requesting committees but by people in state and local governments.

As an example of long shelf life, I was interested to learn that in the reauthorization last year of the Rehabilitation Act of 1973, language was included which drew directly from a report that we had completed and delivered in 1982. That gave us a clear indication that even after 4½ years, at least one of our studies was still found to be timely and relevant to the issues before the Congress.

EXTERNAL SIGNALS ABOUT OTA'S USEFULNESS

I would also like to touch just briefly on some external signals about the usefulness of OTA's work. In one Supreme Court brief that was brought to my attention about a month ago, OTA was referred to three times as an expert or authority on an issue before the Court. We also have seen our studies used as texts for university courses, both advanced undergraduate and graduate.

The Government Printing Office, which I believe will follow me this afternoon, has been doing some interesting marketing of government studies to the broader public. I was interested that their recent brochure contained a substantial number of OTA studies. They were seen to be of sufficient public interest that they were on that list. I brought along one brochure in which paper clips refer to OTA studies, and it is pretty heavily paper-clipped. I am pleased that our colleagues at the GPO think our work has public appeal.

Senator REID. Why don't we make that part of the record.

Mr. GIBBONS. I would be happy to submit that for the record, Mr. Chairman. Thank you.

Senator REID. Paper clips and all.

Mr. GIBBONS. I think I can replenish that stock. I would be happy to submit this brochure.

[CLERK'S NOTE: Material requested here has been retained in the subcommittee files.]

COMMERCIAL REPRINTING OF OTA'S REPORTS

Our work is also picked up by the commercial press, both here and overseas. The commercial press picks up our work once it is made available through the GPO. In 1985 we completed some work on the management of the nation's commercial high-level radioactive waste problem. This study is available from the Government Printing Office, but it was also picked up and reprinted by the commercial press here in the United States. We also found that it had been translated, apparently in its entirety, by the Japanese.

Other of our studies have also been published by commercial printers overseas. And I was recently sent a print of one of our studies that had been painstakingly translated and printed in the People's Republic of China. It is interesting to us that people not only in the private sector, but in other countries, see these studies as relevant to their concerns.

OTA'S PRODUCTIVE AND EFFICIENT WORK ENVIRONMENT

A key basis of our ability to attract and hold top-flight people is our commitment to provide a highly productive and efficient environment for our work. I think important elements in that commitment are the support infrastructure within OTA: Our word processing and computing capabilities; our excellent reference library, which is closely integrated with the Library of Congress; our contracting activities, and the like.

We have a sense of collegiality within the agency, even across these diverse disciplines. We encourage our staff to interact with their professional counterparts not only on congressional staff but in the executive agencies and outside because OTA has to be kind of a network. It has to be able to put its finger on the pulses of experts wherever they may be because we are little, as we should be, and we survive by this ability to network our activities.

A recent market test was interesting to me: Our departing staff in 1986 received an average of about a 30-percent increase in their salaries by their new employers. I am not sure whether that means they were underpaid at OTA or whether the OTA experience was that valuable to them as they went elsewhere in government and the private sector.

Mr. Chairman, on pages 13 to 17, I give eight examples of some of OTA's current work, including work on the Strategic Defense Initiative, the work on diagnostic tests in the medical area, work on federal information dissemination issues, and the work on the Clean Air Act, just to cite four examples. I tried to give you just a quick thumbnail sketch of what work we are doing and what it contains and for whom we are doing it.

POTENTIAL FUTURE WORK

On pages 18 and 19, I address the issue of potential future work; that is, projects for fiscal year 1988. I give a list in Attachment 1 of examples, simply by title, of the sorts of things that we think we might be called upon to work on.

The list is at least five times as long as we would possibly be able to take on, but it was given in response to repeated requests we have had during appropriations hearings for us to try to give some indication of the sorts of subjects that we might undertake during the upcoming fiscal year.

I have to sound a caveat because when you are charged with keeping an eye on the new developments in science as well as the applications of existing scientific principles and technologies, you frequently are surprised.

For example, within the last 90 days there has been a sudden breakout in the area called superconductivity of materials. It was very much unexpected because for years, as we tried to find materials that would become superconducting at higher temperatures, there was only a very, very slow rate of gain in this process. Suddenly, breakthroughs occurred in December, January, February, and this month, which have more than doubled the temperature at which materials can become superconductive.

The implications of this new, sudden, dramatic development are problematic but could be very substantial, both in our domestic economy and our defense areas. It is an example of how one cannot anticipate too much ahead of time what you are going to be doing because you know there are going to be some surprises out there.

As an example of our commitment to be part of the foresight eyes for Congress, I counted the number of journals that we must scan, if not read, constantly in this work. I was rather shocked, I must confess. It is 497 journals that we presently keep an eye on through our nine programs of activity at OTA.

SUMMARY OF FISCAL YEAR 1988 REQUEST

Finally, Mr. Chairman, on pages 19 to 23, I summarize the request for the fiscal year 1988 budget, including our request for six more professional slots, which would take our staffing from 143 up to 149 people. I also include our 3 fiscal year 1987 supplemental requests for you.

Mr. Chairman, we are asking for a substantial increase, but the increase is comparable with, or less than, the President's requested increase for research and analysis in a number of agencies whose work is directly related to OTA's, including, for example, the National Science Foundation and the NIH.

Science and technology, with associated analyses, are increasingly, as I believe you and Senator Grassley understand full well, at the center of our national efforts both to spur our economy and to provide new options for our people. Now, if Congress wishes OTA to keep track of such developments and to do solid analyses of the implications, not superficial analyses, it simply takes resources.

We currently defer many requests and attempt to handle requests in a less-than-perfect way, so I would simply say that we already feel that we are pretty pressed in terms of our resources compared to the demands being put upon us. I guess that is always the way it should be. It is just that it is getting increasingly uncomfortable as time goes on.

I brought with me this afternoon a one-page summary of how I see the budget request as we present it to you. I would ask Mr. McGurn if he might hand you a copy for the record. I tried to simplify the long budget pages into the bottom lines for you.

If you look at our fiscal year 1987 and add the requested supplements for COLA and the federal employee retirement system, you find that the fiscal year 1988 request is about 18 percent over fiscal year 1987. If you go to item 3 on that single page, you will note that that 18 percent divides into three pieces.

One is about 6 percent, which are mandatory cost changes. These include, for example, the movement of funds from Treasury to OTA to handle the federal retirement system and our other personnel costs.

The second item, which accounts for about 5 percent of that change, are operating cost changes. Expiration of an extraordinarily attractive long-term lease, and the resulting increase in rent, still below the market rate, accounts for a substantial portion of that change.

Finally, 7 percent is the number for program changes. A substantial, portion of that 7 percent has to do with those six professional positions that I mentioned to you, Mr. Chairman.

I am reminded a little bit of what Mark Twain said about Richard Wagner's music. He said: "It's not as bad as it sounds." Our bottom line is that we seek a 7-percent increase to enable us to do a better job of our assigned work for Congress and that a substantial portion of that 7 percent has to do with these six slots.

BOARD WILL HELP SELECT NEW PERSONNEL

I might mention, since Senator Stevens has left, that when I brought this budget before the Board last fall, the Board supported the budget. They also indicated that if we are granted some increases in our slots, they would like to participate with me in helping select the kinds of people, generically, that we are seeking. So I provided in my testimony eight examples of the sorts of people we feel would save us money and provide us better institutional memory if we had them in-house rather than through resort to contracting and temporary employment.

Mr. Chairman, I have taken probably more time than I should have, but that completes my summary of my testimony. I would be happy to respond to questions.

[The statement follows:]

STATEMENT OF JOHN H. GIBBONS

Overview

Science and technology have, in just the past four decades, taken a dominant position in American foreign and domestic policy. Their rapid advance is erasing the traditional boundaries that buffered the interactions between individuals, families, regions, and nations, placing new demands on governance. Congress must be prepared to act for the collective good of the nation when faced with the societal impacts of new and powerful technologies. Congress must also be in a position to anticipate, cultivate, and prepare wisely for the advent of new technologies.

This combination of circumstances creates a critical need for thoughtful analysis and information transfer to Members of Congress. OTA has become a unique institution to do this work, by virtue of its bipartisan structure and its carefully developed procedures to tap national wisdom and then to integrate it into a form useful in legislative deliberations.

One of the most important lessons of business — that there is no free lunch — is also true of technology. As Ralph Waldo Emerson said over a century ago, "Nature never gives anything to anyone; everything is sold. It is only in the ideals of abstraction that choice comes without consequence." OTA's mission is to help Congress weigh the "goods and bads" of technology — to understand the nature and extent of technological opportunities and how to reduce their risks and unwanted impacts.

How OTA Works

As a nonpartisan, analytical support agency, OTA serves both houses of Congress by providing objective analyses of major public policy issues related to scientific and technological change. The focal points of OTA's work are: (1) technology in its various stages, from innovation, research, and development, to application and use; (2) the educational and research and development requirements that applied science entails; (3) the impacts -- for better or worse; (4) the policy issues associated with science and technology; and (5) the associated options available to Congress. In response to Committee interests, more of our time is spent on the future implications of present technological capabilities than on projections of possible future scientific discoveries and technological trends.

The resources provided to OTA are part of Congress' safeguard that the longer term prospects for U.S. society are not neglected amid the difficult near term legislative budget issues. It is OTA's role to do analyses for Congress regarding science and technology policies that form the basis for this nation's future productivity and well-being.

OTA continually adapts its work to be responsive to the needs of our clients -- Congressional Committees. In planning our projects, we attempt to merge the interests of both the House and Senate Committees of jurisdiction into integrated, comprehensive projects. Consequently, costly, multiple studies are avoided, and OTA is able to operate as a truly "shared" resource of Congress.

Another very important element of project planning is our effort to complement the capabilities of our sister agencies (CBO, CRS, GAO). The role of each Congressional agency is very distinct: CBO furnishes Congress key information relating to the U.S. economy, the Federal budget, and Federal programs; GAO has the dual role of responding to Congressional requests for audit and evaluation work and providing audit and evaluation coverage of agency programs; CRS tracks all issues of major significance to the Congress and specializes in providing immediate responses to Member needs; OTA focuses on indepth assessments of emerging technology and its various impacts. OTA is also unique in the large amount of networking and outreach that it does, which enables Congress to access an extraordinarily broad base of expertise.

This unique attribute of OTA corresponds to a process the four support agencies have adopted to fully utilize each other's expertise. CBO, CRS, and GAO staffs coordinate with, and, in some cases, participate in OTA advisory panel meetings, symposia, and workshops. The four agencies share data on related studies and provide new data as input to each others' projects as appropriate to their areas of expertise. In addition, two or more agencies may collaborate in the preparation of testimony or general assistance for Congressional hearings. For example: (1) CRS is completing a projection of future oil resource reserves and production and analyzing the economics of oil prospects, which will be incorporated in OTA's assessment of possible U.S. energy futures; (2) GAO and OTA cosponsored a workshop on advance notice of plant closings and permanent layoffs, resulting in separate, but complementary, reports; (3) CRS staff has participated in workshops and reviewed papers for OTA's assessment of low-resource agriculture in Africa; (4) OTA, GAO, and CRS all received requests to analyze the Indian health care system, and early, careful coordination enabled each agency to provide Congress with helpful, non-duplicative, material; (5) GAO is conducting a survey of Federal information needs to serve as an input to the OTA study of Federal information dissemination, and both GAO and CRS have representatives on the advisory panel for the study; (6) in the process of developing OTA's report on ocean incineration, OTA provided CBO with useful technical information from one of OTA's contracts, and CBO supplied OTA with some raw data that was later used in OTA's report; (7) a CRS staff member is serving as a full member of OTA's project staff on the assessment of developing seabed resources in the EEZ; (8) both OTA and GAO are doing work on AIDS, and information being gathered by GAO for its study, due in Summer 1987, has been designed to also accumulate data that will be useful in OTA's study, which will be published later in 1987. (See pages 157-158 in OTA's Justification of Estimates for FY 1988 for more details on FY 1986 interagency coordination.)

We also pay a great deal of attention to supplying the requested information in a manner timed, packaged, and delivered to be most helpful to Congress. Specifically, OTA works with requesting Committee staffs throughout a project to assure that the analysis remains responsive to need, and that information is available to the Committees, even its preliminary form. "Delivery" of an assessment to Congress can begin early in the course of the analysis (e.g., through testimony and briefings) and frequently continues long after publication of the final report.

In order to match different information needs of various Members and staffers, OTA prepares information in different levels of detail. Our detailed assessment Reports are of greatest use to Committee staff working directly in the subject area, and they provide the all-important full documentation of findings given in the Summaries. The 20-40 page Summaries and the one-page Report Briefs are designed for Members and staff not working directly on the issue but who wish to be informed on the subject. At a given time, the specific needs of a given Committee are usually more focused in scope than our assessments. For that reason, OTA prepares Technical Memoranda, Background Papers, staff papers, testimony, and briefings as required, drawing the information from ongoing or completed assessments. In this way, OTA extends the capabilities of Committee staff: by preparing these documents of narrower scope, holding workshops, or assisting in the preparation for hearings, OTA expands the knowledge available to Congress for specific purposes within a limited time frame.

By statute, OTA also makes its analyses available to the interested public, typically through the GPO and commercial reprints of our reports. The recipients include individuals and organizations who assist OTA in its work (e.g., State and local governments, the National Academies of Sciences and Engineering, corporations, public interest groups, associations, Executive agencies, and universities.)

The number of people and organizations helping OTA in its work is large (close to 2000 per year), and they come from within and outside of government. We build upon the work of our sister Congressional agencies, the Executive branch agencies, and private sector organizations in a variety of ways, including representation on our advisory panels and workshops and service as detailees, contractors, and reviewers. This mode of operation makes it easier for OTA to go beyond published information and take advantage of knowledge that is still unpublished; and it also makes it virtually certain that OTA will complement rather than duplicate prior or ongoing work.

Effectiveness

Many things contribute to Congressional decisions, making it especially difficult to gauge quantitatively the impact of OTA's work. We can point to the use of an OTA analysis in debate or in the writing of a bill, or even in the actions of an Executive branch agency or in the private sector, but we are usually not in a position to measure precisely its effect on a policy or appropriations decision in Congress or on decisions made by others (e.g., Executive agencies, state and local governments). In OTA's Transportation of Hazardous Materials, Electronic Surveillance and Civil Liberties, and Technology, Public Policy, and the Changing Structure of American Agriculture, the impacts of OTA's work are readily and directly traceable to cost-effective improvements in services.

In most of its studies, OTA's provides Congress with alternative options to deal with science and technology issues. Thus, instead of being informed of only the options desired by the Administration, Congress is provided with a range of options that reflect a broader range of perspectives, for example, Ballistic Missile Defense Technologies, Serious Reduction of Hazardous Waste, Payment for Physician Services: Strategies for Medicare, and Ocean Incineration: Its Role in Managing Hazardous Waste. Finally, OTA also works on emerging "foresight" issues, including New Developments in Biotechnology and Technological Risks and Opportunities for Future U.S. Energy Supply and Demand.

I would like to briefly review a few of the legislative uses of OTA's work in FY 1986, and I urge the Committee to review OTA's Justification of Estimates for Fiscal Year 1988 (pp. 33-36; 48-52; and 64-66) for a more complete summary.

Relation of Current and Recently Completed Work to Legislative Activities

1. The technical memorandum, New Structural Materials Technologies: Opportunities for the Use of Advanced Ceramics and Composites, offered a comprehensive look at the range of opportunities for new structural materials and defined a set of research and development priorities over the next 25 years. The study was the basis for testimony before the House Committee on Science and Technology, which oversees the Critical Materials Act of 1984. Ongoing work was also used in testimony before the House Committee on the Judiciary on technical questions regarding plastic firearms.

2. A number of the concepts and themes in OTA's 1985 report, Superfund Strategy, have been embodied in the reauthorized Superfund law. For example, the emphasis on permanently effective remedial cleanup technologies, and the use of Superfund monies for education, training, technical assistance to communities, R&D, and innovative cleanup

technology demonstration were influenced by the OTA report and by OTA staff participation in hearings and informal meetings. A number of members have asked OTA to help them review ongoing Superfund cleanup efforts. OTA has, or is in the process of, responding to requests on the Rocky Mountain Arsenal site in Colorado, the Stringfellow site in California, the cleanup of PCB's in Indiana, the Lipari Landfill in New Jersey, and a cleanup of a harbor in Indiana. The site reviews assist the Congress in its oversight of a technically complex and expensive program, and also provide insights into major Superfund policy issues. With the substantial increase in Superfund spending, it is likely that several Committees will call upon OTA to provide assistance for an intensive period of Congressional oversight on the technical, environmental, and economic effectiveness of the Superfund program.

3. The assessment, Technology and Structural Unemployment: Reemploying Displaced Adults, and a follow-on study, Plant Closing: Advance Notice and Rapid Response, were important in consideration of the restoration of funding of the Job Training Partnership Act, Title III. Title III funds were cut from $220 million in Program Year (PY) 1984 to $100 million in PY 1985, and then increased to $200 million for PY 1986. Both studies pointed out that many States were unable to respond rapidly and effectively to serve more than a few percent of displaced workers with existing funds, and with cuts in funding would probably serve even fewer people. Information and technical conclusions from the assessment have been used in several pieces of proposed legislation, notably S. 2374, which was introduced by Senator Heinz and focused on remedial education for displaced workers and ways to improve vocational training, and H.R. 4728, the Education and Training for American Competitiveness Act, which was introduced by the Chairman of the House Committee on Education and Labor. The report accompanying the latter bill stressed the importance of literacy and basic skills, a point made strongly in the OTA report, and cited OTA's findings on how displaced workers without basic skills fare in the job market.

4. Unclassified testimony and OTA's classified special report, Technologies for NATO's Follow-on Forces Attack Concept, were a major input to the efforts of the Subcommittee on Research and Development, House Committee on Armed Services, to devise a "conventional defense initiative."

5. Publication of the OTA report, Alternatives to Animal Use in Research, Testing, and Education, was followed by hearings on that subject, with OTA's testimony as the lead, before the Subcommittee on Science, Research, and Technology, House Committee on Science and Technology. In addition, one of the several options for congressional action illustrated in the report was adopted by the Senate Committee on Appropriations in its appropriation for the Environmental Protection Agency for FY 1987. The report accompanying the appropriations bill directs the EPA to provide a summary of each research activity that is related to the evaluation of whole-animal testing, and substitutes for whole-animal use and related research. Throughout FY 1986, OTA provided support for congressional staff on issues involving animals, such as the branding of dairy cows by the U.S. Department of Agriculture.

6. There were 38 bills in the 99th Congress on Alzheimer's disease, and more than a dozen other bills on related topics such as long term care. As a result of expertise developed during its assessment of Disorders Causing Dementia (in press) OTA was invited to comment on the majority of these. In July 1986, OTA testified before the Subcommittee on Aging, Senate Committee on labor and Human Resources, on Federal support for research on dementia. The high degree of Congressional interest in dementia is shown by the fact that OTA staff has been in contact with 129 staff on 16 committees and 76 personal offices on this subject. About 50 Congressional staff attended one or more panel meetings, workshops, or briefings held in connection with the assessment. With the Congressional Clearinghouse on the Future, OTA organized a Congressional symposium on Alzheimer's disease. OTA's work in this area influenced legislation establishing an advisory body to the

Secretary of Health and Human Services on Alzheimer's disease, and OTA was assigned the task of selecting the members of the advisory body.

7. The technical memorandum, Africa Tomorrow: Issues in Technology, Agriculture, and U.S. Foreign Aid, was used by the Subcommittee on Natural Resources, Agriculture Research, and Environment, House Committee on Science and Technology, to select topics for four days of hearings on development in Africa. OTA staff also suggested witnesses for these hearings. Material from this study was also used in: 1) a bill on environmental training and management (H.R. 4908); a bill on African famine prevention (H.R. 2782 and S. 1364); and a bill on reforming aid to Africa (H.R. 4865 and S. 2208). This technical memorandum and OTA's special report on Continuing the Commitment: Agricultural Development in the Sahel have received extensive attention from the Appropriations and Foreign Affairs Committees, which have also expressed a need for continuing OTA work on evaluation of AID, the African Development Foundation, and similar U.S. programs.

8. The OTA report, Technology, Public Policy, and the Changing Structure of American Agriculture, was used by both the Senate and House Committees on Agriculture on bills introduced on dairy, feedgrains, credit, and research and extension issues. The report was also used by the Democratic Steering Policy Committee to draft a policy statement on agriculture. OTA testified before the House Committee on Agriculture on bills introduced to improve grain quality.

9. Legislation was introduced by members of the Subcommittee on Health, Senate Committee on Finance, that would implement four of the policy options from OTA's assessment, Medicare's Prospective Payment System: Strategies for Evaluating Cost, Quality, and Medical Technology. Two of those options were enacted in the Sixth Omnibus Budget Reconciliation Act (SOBRA).

10. OTA's report, Payment for Physician Services: Strategies for Medicare, and a related background paper on payment for cataract surgery, were used as the basis for hearings held by the House Committee on Ways and Means and by the Senate Committee on Finance. SOBRA included several provisions related to the report's policy options, as did the Consolidated Omnibus Budget Reconciliation Act. Legislation establishing OTA's role of selecting the members of the Physician Payment Review Commission and overseeing the Commission's work indicates Congressional confidence in OTA's grasp of physician payment issues.

11. The OTA report, Electronic Surveillance and Civil Liberties, was used extensively, by both the House and the Senate, of the Electronic Communications Privacy Act of 1986, which was enacted in the closing days of the 99th Congress. This legislation addressed many of the issues and findings presented in the OTA report, and extended privacy protections for new forms of electronic communications, including digital transmission systems, electronic mail, cellular telephones, and computer data communication.

12. The Paperwork Reduction Reauthorization Act of 1986 was enacted by Congress as Title VIII of the continuing resolution and was signed into law as P.L. 99-591. Title VIII addresses many of the issues and findings presented in the OTA report, Federal Government Information Technology: Management, Security, and Congressional Oversight, particularly: extending the purposes of the Act to include maximizing the usefulness of information disseminated by the Federal Government and improving the quality of Federal decisionmaking based on such information; including record privacy in the statutory responsibilities of the Director of OMB's Office of Information and Regulatory Affairs; and clarifying Congressional intent that the Federal Information Locator System is to assist agencies and the public in locating existing government information. The Computer Fraud and Abuse Act of 1986 was enacted by Congress and also addressed some of the issues presented in this report.

13. As part of its ongoing assessment of Wastes in the Marine Environment, OTA examined the role of ocean incineration in waste management. Testimony before a Subcommittee of the House Committee on Merchant Marine and Fisheries played a role in consideration of proposed legislation that called for a moratorium on ocean incineration. The House Committee on Science and Technology used a staff paper produced from the same project, "Subseabed Disposal of High-Level Radioactive Waste," as a basis for some of its FY 1987 budget recommendations for DOE. OTA also prepared a technical memorandum, Marine Application of Fuel Cell Technologies, for the Senate Committee on Commerce, Science, and Transportation, and testified on this subject before the Senate Committee on Energy and Natural Resources. This work was used in consideration of federal R&D programs for new energy technologies.

14. Transportation of Hazardous Material: State and Local Activities, an OTA special report, was used in draft form by the Subcommittee on Telecommunications, Consumer Protection, and Finance, House Committee on Energy and Commerce, and the Subcommittee on Government Activities and Transportation, House Committee on Government Operations, in preparing H.R. 4612. OTA testified at hearings on that bill. The Senate Committee on Environment and Public Works used the report in preparing the community right-to-know and community emergency response planning sections of the Superfund bill enacted into law this session. The full report, Transportation of Hazardous Materials, was used extensively by the Senate Committee on Commerce, Science, and Transportation, and the House Committee on Public Works and Transportation, as each worked on separate versions of a bill requiring national guidelines for truck driver licensing. OTA staff assisted in reviewing the bills prior to the conference Committee meeting. The act was signed into law in late October. Committees concerned with nuclear waste shipments and State governments also made use of the report. Written comments on the report were requested by the Senate Committee on Commerce, Science, and Transportation preparatory to planning hearings on the Hazardous Materials Transportation Act early in the 100th Congress.

Current Work

The most controversial and complex issues facing Congress are often the subjects of OTA's work. For example, our current work includes studies of:

1. Technological Risks and Opportunities for Future U.S. Energy Supply and Demand — Congress is now being presented with a series of energy demand and supply forecasts that are radically different from those of just a few years ago. A common theme includes greatly moderated oil prices into the early 1990's followed by a possible return to OPEC dominance of oil markets, risking oil prices, and greatly expanded U.S. oil imports by the late 1990's. This study is evaluating current views of the U.S. future energy outlook, identifying key technical uncertainties and risks that affect the validity of these views, and identifying and evaluating energy policy options for dealing with these uncertainties and risks.

2. Technology, Innovation, and U.S. Trade — Rapid and widespread international diffusion of technology has meant that competition from a growing number of countries, in a widening array of products, has cut into the market share of U.S. manufacturers. One result is an unprecedented trade deficit, expected to exceed $160 billion in 1986. This study is examining how changes in the competitiveness of U.S. manufacturing industries affect the ability of the U.S. economy to create new jobs in various sectors. The study will assess how technology coupled with strategic responses by U.S. firms could reverse the erosion of our market shares. Conversations with requesters' staffs have indicated that this work will be useful to Congress as it deliberates a new trade bill and in oversight and modification of trade-related work adjustment programs.
3. Strategic Defense Initiative: Technology, Survivability, and Software — This project entails three major tasks: 1) update of the 1985 OTA Report on New Ballistic Missile Defense Technologies with respect to the technologies currently being researched under the Strategic Defense Initiative (SDI); 2) examination of the best currently available information on the prospects for functional survival against preemptive

attack of alternative ballistic missile defense system architectures currently being studied under the SDI; and 3) analysis of the issues involved in the question of whether it is feasible to develop reliable software to perform the battle management tasks required by such system architecture.

4. New Developments in Biotechnology — Public attention has recently been focused on the release into the environment of genetically engineered organisms. Questions center on the stability of genetic material inserted into the organisms, on the probability that the inserted genetic material will be transferred to other, nontarget organisms, as well as on the effect of genetic material passed from one organism to another. OTA is examining these issues and others in the burgeoning field of biotechnology. A series of publications is addressing the environmental application of genetically altered organisms; human biological materials in research and commerce; commercial development of tests for human genetic diseases; funding of research in biotechnology; patent law applicable and appropriate to biotechnology; and development of socially useful biotechnology products that may not be highly profitable.

5. Diagnostic Medical Tests: Impact on Public and Private Policies Toward Health Care — Tests to identify individuals who are likely to develop serious diseases are being rapidly developed. Some of these tests are directed at genetic diseases for which there are no known therapies, thereby raising questions over the social consequences of identifying susceptible persons. Use of the test for detecting antibodies to the AIDS virus is already a highly controversial issue. The use of diagnostic tests by health insurance companies, self-insured businesses, and health maintenance organizations may lead to substantial costs to government if private insurance becomes very costly or unavailable. While the Federal government plays an important role in financing health care, the regulation of health insurance is largely a State function. This assessment is: 1) identifying the tests in use and under

development; 2) identifying how such tests are used in setting insurance rates for employees and their dependents or in excluding such individuals from coverage; 3) estimating the number of people who could be affected; 4) estimating the health care costs for treating or caring for affected individuals; and 5) developing policy options vis a vis the Federal role in relationship to State and private sector actions and responsibilities.

6. Technology, Public Policy, and the Changing Nature of Federal Information Dissemination — Use of information technology — such as electronic document filing, computer-aided surveys, computerized databases, optical disks, electronic mail, electronic remote printing, and electronic bulletin boards — is already affecting and could ultimately revolutionize the public information functions of government. However, the use of such technology is complicated because of tensions involving public information, management efficiency and cost reduction, and private sector cooperation and competition.

   This study is: identifying and describing the current institutional base for federal dissemination of public information; assessing the current technological base and relevant future technological developments; evaluating present and future public information needs and how technology might help meet such needs; and identifying and analyzing key issues and options. These include, for example, possible future public information roles of the Government Printing Office, executive agencies, libraries, and private firms; policies for public access to and dissemination of federal information, including policies on the depository library and statistical systems; and opportunities for innovative use of information technology in, for example, electronic remote printing of federal reports, electronic access to federal data bases used in decision support systems, and scientific and technical information exchange.

7. New Clean Air Act Issues — This OTA assessment is focusing on air pollution concerns that are among the most contentious issues facing

Congress in its attempt to reauthorize the Clean Air Act. The first is urban ozone. Currently the health-based air quality standard for ozone is being exceeded in about 70 urban regions, areas in which about one-third of the population of the United States lives. EPA estimates that about half of the areas will still not be in attainment by the 1987 deadline required by the Act. Second, the assessment is addressing the closely related problem of regional oxidants (primarily ozone), pollutants that can lower the productivity of agricultural and forested regions and contribute to violations of health-based ambient air quality standards in urban areas, often far from the sources from the sources from which the pollutants are formed. Next, while evaluating the cost-effectiveness of controlling various sources of hydrocarbon emissions for lowering ozone levels, the assessment is also identifying which of these hydrocarbons might also be toxic air pollutants. Finally, the assessment is updating our ability to analyze new options for controlling acid rain, the major focus of an earlier assessment.

8. Sustaining the National Technological Base: Education and Employment of Scientists and Engineers — This study is identifying and analyzing factors affecting the education and employment of scientists and engineers over the next two decades. The objective of this analysis is to describe the dynamic interactions between public policies, private actions, and the nation's changing research work force.

The first part of the study will review supply and demand data, models, and projections for individual scientific and engineering disciplines. Key trends and factors shaping supply and demand for scientific and engineering disciplines will be identified. These factors will be analyzed in detail in the second part of the study. The analysis will focus on the education "pipeline," from precollege through early career; on the institutions that recruit, channel, and certify students in science and engineering; and on academic, governmental, and industrial needs for faculty and researchers.

Future Work

OTA's agenda is determined by the expressed needs of Congressional Committees, so we cannot reasonably predict the new assessments that will be undertaken in a given year. In response to the Appropriations Committee request, however, OTA has prepared an illustrative list of subjects that are representative of the kinds of assessments that we may be asked to undertake. (Attachment 1) Such an exercise, using a wide variety of information sources, helps sharpen the discussions between OTA staff and Congressional Committees. It also reflects one of the charges Congress assigned to OTA: foresight about emerging technology. This list was drawn from a much longer list of subjects that have come to OTA's attention via its own work, requests and inquiries from Committees, the technical literature, interactions with Members and staff of Congress, and from analysts and decisionmakers in the executive branch and outside of government. The studies are briefly described on pages 36-39; 52-55; and 67-70 of OTA's Justification of Estimates for Fiscal Year 1988.

Summary of Request

OTA anticipates increasing Congressional requests for its assistance in FY 1988. Much of OTA's work is directed toward those areas and issues most important to Congress in making decisions concerning long term deficit reductions, trade and economic growth, environment and health, national defense, and other issues involving technology. Requests for new assessments and follow-on analyses will increase, as will requests for testimony, briefings, Technical Memoranda, and other special analyses for Committees. OTA also hopes to continue to invest a significant portion of its resources in studies of the longer term issues and opportunities that arise from developments in science and technology.

OTA has requested $19,270,000 for FY 1988. [The TAB-approved budget request for FY 1988 was $18.2 million. This amount was: 1) increased by the costs of the new Federal Employees' Retirement System — $1.2 million; and 2) decreased by the amount of savings attributable to purchase, in FY 1987, of a new phone system, $130,000, for a total request of $19.27 million.] This level of support would permit OTA to regain its ability to respond to the increasing demand for assistance.

One major element in OTA's FY '88 requested increase is funds to cover the cost of an increase in OTA's office lease costs, which will become effective January 2, 1988. The new lease agreement is considerably more expensive than the original lease negotiated in 1976, but is still favorable to the government.

Another major element in the requested increase is funds to increase our staff, which would enable OTA to expand its ability to respond to Congressional requests. OTA is extremely "thin" in terms of in-house capabilities in certain areas of graduate-level professional expertise. For this reason, we are requesting authority to increase our staff ceiling from 143 to 149 employees. Although our needs will continue to be met in part by contracting and hiring temporaries for particular tasks, it is far more cost effective to hire employees than to contract for those particular abilities that are in continuous demand at OTA. We have found it is essential that OTA have enough in-house technical expertise to retain "institutional memory" for issue areas that continue to be matters of Congressional concern. Outlined below are examples (covering more slots than we are requesting) of our most important needs. If this request is granted, we will narrow our choices with the consultation and cognizance of the Technology Assessment Board, and will inform the Appropriations Committees of our choices.

1. Epidemiologist/Statistician

This position would be for an individual with a Ph.D. in Epidemiology and with very strong training and experience in quantitative, statistical analysis and methodology. A great many past and current OTA projects have benefited from such skills, and expected future uses would include continuing activities related to veterans, an assessment of nonstandard cancer treatments, an assessment of diagnostic and predictive medical tests, and assessment of indicators for quality of medical care, and continuing studies of genetic testing and child health issues.

2. Environmental Scientist/Engineer

This position would be for an individual with a technical education and strong quantitative skills and experience in one or more of the following areas: air pollution chemistry and transport; engineering and economics of controls and alternatives; industrial applications; state implementation of regulation. In the past, OTA has devoted a substantial portion of its resources to studying the nature, effects, management, and prevention of various waste streams, and this person is needed for future work on both air and water pollution.

3. Computer Scientist/Engineer

This position would be for a technically-trained person with practical experience and strong policy interest. The pace of change in computer technology will remain very high for the indefinite future, affecting every facet of the nation's life. Congress' need for in-house analytical help on this issues is reflected in numerous requests to OTA for assistance. This person would be of use in assessing issues raised by the growth of computer/communications networks and by the incorporation of information technology within the telecommunications system.

4. Engineers with Industrial Experience

OTA has a need for 2 persons with graduate degrees in this area plus several years of experience and excellent writing and communications skills. One person would analyze industrial competitiveness and integration of technology with workplace skills and motivation; the person is required for OTA to continue its work on the role of science and technology in affecting U.S. industrial competitiveness. Another person is needed to analyze the processes by which high-tech industries determine performance characteristics and design features of next generation products; this person is needed for such work as: 1) comparison of U.S. and other military technologies; 2) a possible study of future space transportation technologies; and 3) an evaluation of new materials technologies as they affect industrial competitiveness.

5. Physical Scientist

This position would be for a Ph.D. level person with experience in scientific research and knowledge of research institutions and the methods of organizing research of various sizes and levels of complexity. This person would work on various issues related to science policy, such as big science/little science, efficacy of multinational joint ventures, and dovernment/university/industry consortia.

6. Industrial Trade and Technology Transfer Expert

This position would be for a person with advanced degrees in political science or a related discipline and experience in analyzing U.S. and foreign trade and development policies. This person would assist: 1) OTA's work in analyzing the policies of foreign producers with respect to technology and market development; and 2) OTA's analysis of how technology is transferred among firms and countries, and the relationships between multinationals and the countries in which they operate.

7. Rural Sociologist

This position would be for a Ph.D.-level person who could contribute to the design and implementation of future OTA studies addressing important food and renewable resource issues identified by the Congress. Areas of study would include the problems of storing and handling surplus grain on farms and elsewhere and analysis of the federal role in assisting the small and part-time farm operators to continue to be able to farm productively.

Mr. Chairman, if the resources requested are provided, OTA will be able to continue to assure responsiveness and excellence of our products. Thank you for consideration of this request.

ATTACHMENT 1

Candidate Areas for Assessment in Fiscal Years 1987 and 1988

The 53 topics given in this list have been identified by Congressional Committees, OTA, and its advisors as typical technical issues that the Congress will face over the next several years. Of course, the list does not necessarily contain the assessments OTA will actually undertake in Fiscal Years '87 and '88 Note: This list is not given in order of priority.

Energy and Materials

- Future Directions in the Use of Metals
- Increased Competition in the Electric Power Industry: Technological Constraints and Opportunities
- Nuclear Power Plants: The Next Generation
- Technologies for Decommissioning and Life Extension of Nuclear Power Plants
- Repair and Rehabilitation of the Nation's Infrastructure
- Energy Research and Development: Clean Coal and Alcohol Fuels

Industry, Technology, and Employment

- Technologies for Improving U.S. Competitiveness in Manufacturing
- Technological Change and Job Opportunities for Less Skilled Workers
- Impacts of Military Spending on Commercial Technologies
- Technology and Trade in Third World Development
- Assessing the Potential for an Internationally Competitive U.S. Pollution Control Industry
- Technology and Adult Education and Training

International Security and Commerce

- Space Transportation
- Technologies to Counter Terrorism
- Defense of NATO's Fixed Facilities
- Nuclear Testing and Weapons Reliability
- The Defense Industrial Base
- Radio-Frequency Weapon Effects and Protection

Biological Applications

- Service Delivery Systems for Persons with Dementia
- New Developments in Neuroscience
- Marine Biotechnology
- Technologies for Drug Delivery
- Biology of Spaceflight

Food and Renewable Resources

- Technologies to Enhance Survival of U.S. Small Farms
- Opportunities for Managing Fallow and Retired Agricultural Land
- Agricultural Opportunities for Increasing Value-Added Exports
- Patents and Intellectual Property Rights in Agriculture: Biotechnology and Infotechnology
- Agricultural Approaches to Counter Illegal Drug-Crop Production: U.S. and International Methods
- Techniques for Environmental Conflict Resolution

Health

- Resource Allocation and Technological Possibilities in Health Care
- Technologies for Disease Prevention Among Elderly People
- Non-Medical Health Care
- Technologies to Prevent Morbidity and Mortality During Adolescence
- Fetal Therapy
- Tests for Predicting Human Responses to Chemical and Physical Agents

Communication and Information Technologies

- Artificial Intelligence
- Science, Technology, and the Courts
- Information Technology and the Securities Market
- Information Technology and the Media
- Information Technology and the Congress
- Information Technology and Retail Trade

Oceans and Environment

- Aquaculture
- Global Climate Change
- Municipal Solid Waste Problems
- Nonpoint Source Pollution
- Shoreline and Coastal Land Use Management
- Technologies for Treating Potable Water

Science, Education, and Transportation

- International Cooperation in "Big Science"
- Technology and Human Factors in Transportation Safety
- Specialization in the Delivery of Education
- Technology and Adult Literacy
- Transportation Construction: Research Needs
- Satellite Technology and Transportation Flow Management

OFFICE OF TECHNOLOGY ASSESSMENT

PERCENTAGE INCREASE SUMMARY

I. Percentage increase over FY '87 base - 18%

FY '87 base	15,532
FERS Supp	545
COLA Supp	209
REVISED FY '87 Base	16,286
FY '88 request	19,270
Total Change	2,984 (18%)

II. Breakdown of $2,984K net increase

		% of Change
Mandatory Cost Changes		
FERS	560K	19%
Personnel	432K	15%
Operating Cost Changes		
Rent	544K	18%
Price Level	249K	8%
Program Changes		
6 New Positions	1,002K	33%
Other Changes	197K	7%

III. Increase as a percentage of FY '87 base

- Mandatory cost changes account for 6.1% of FY '87 base.
- Operating cost changes account for 4.9% of FY '87 base.
- Program changes account for 7.4% of FY' 87 base.

UPDATE ON COMMERCIAL REPRINTING

Senator Reid. Thank you very much for your testimony. My information indicates that last year you told the committee about your efforts to encourage private-sector commercial reprinting of your reports. What if anything has happened on this? Could you give us an update?

Mr. Gibbons. Yes, sir; I would be happy to furnish for the record an exact update.

[The information follows:]

REPRINTING OF OTA PUBLICATIONS

Several OTA publications have been reprinted in full by commercial publishers. These reprinted publications have been used for classrooms and targeted audiences (i.e., academia), and have received worldwide distribution.

The following six publications were reprinted in FY 1986:

- o Ballistic Missile Defense Technology, and Anti-Satellite Weapons, Countermeasures, and Arms Control, reprinted by Princeton University Press, New Jersey, under the title Strategic Defenses.
- o Medicare's Prospective Payment System: Strategies for Evaluating Cost, Quality, and Medical Technology, reprinted by Springer Publishing Company, New York.
- o Intellectual Property Rights in An Age of Electronics and Information, reprinted by Kreiger Publishing Company, Florida.
- o Technology, Innovation, and Regional Economic Development: Background Paper #1: Census of State Government Initiatives for High-Technology Industrial Development; and Background Paper #2: Encouraging High-Technology Development, reprinted and translated by JETRO Publishing Company, Japan.

Earlier reprints of OTA publications include:

- o Commercial Biotechnology: An International Analysis, reprinted by Pergamon Press, New York.
- o Federal Policies and the Medical Devices Industry, reprinted by Pergamon Press, New York.
- o Information Technology R&D: Critical Trends and Issues, reprinted by Pergamon Press, New York.
- o The Effects of Nuclear War, reprinted by Cheshire Books, California, under the title, The Day After Midnight: The Effects of Nuclear War.
- o Energy from Biological Processes, reprinted by Westview Press, Colorado.
- o Technology and Soviet Energy Availability, reprinted by Westview Press, Colorado.
- o Impacts of Applied Genetics: Microorganisms, Plants, & Animals, reprinted by Westview Press, Colorado, under the title Genetic Technologies: A New Frontier.
- o Assessment of Technologies for Determining Cancer Risks from the Environment, reprinted by Westview Press, Colorado, under the title, Cancer Risks: Assessing and Reducing the Dangers in Our Society.
- o Managing the Nation's Commercial High-Level Radioactive Waste, reprinted by UNIPUB, Maryland.

OTA received several copies of each reprinted publication from the commercial publisher involved. Additionally, the reprinted versions provide a wider dissemination of the work performed by OTA.

Mr. GIBBONS. We continue to have interest expressed in our work, especially by U.S. commercial printers. I brought along one example today—commercial high-level waste. During 1986, as I recall, there were six new examples of commercial reprinting. Princeton University Press reprinted two OTA reports: The first was on ballistic missile defense technologies, and the other was on antisatellite weapons. This work was printed both in hardback and paperback.

Senator REID. Earlier in your testimony, you told us about the Japanese.

Mr. GIBBONS. Yes, sir; Japanese, and particularly, I believe, the European press. But the Japanese press has been quite interested.

You understand that when the government prints a document and it enters the public domain through the GPO, then the private press has unbridled access.

Senator REID. That was my next question. The OTA then does not receive any compensation for the rights to these reports.

Mr. GIBBONS. No, sir; only stars in our crown, I guess—in somebody's crown. We are pleased to see it happen because it does move the information gained at public expense more broadly into the public and onto the shelves of libraries. Frequently, the libraries will only, for instance, put on the shelves the hardback copies. GPO does not provide hardback copies. I think that is one of the several markets of the commercial press.

The other examples from this past year were a reprint by Springer of "Medicare's Prospective Payment System: Strategies for Evaluating Cost, Quality and Medical Technology"; a reprint by Krieger Publishing of "Intellectual Property Rights in an Age of Electronics and Information"; and finally, a couple of papers on "Technology, Innovation and Regional Economic Development." In fact, in this case they were reprinted and translated and published in Japan.

Senator REID. Do you print your own?

Mr. GIBBONS. We prepare the manuscript using word-processing methods. The actual printing is done at the GPO.

Senator REID. That is good. That was my next question. I think we should try to get as much done there as we can.

Mr. GIBBONS. They give us excellent service, and we are very pleased to work with that agency.

PROBLEMS WITH REIMBURSABLE STUDIES

Senator REID. Some of the work that you have done this past year has been on the Strategic Defense Initiative. It is my understanding that this has been done on a reimbursable basis with the Defense Department; is that right?

Mr. GIBBONS. Yes, sir.

Senator REID. How does this work? And keep in mind, do you think you lose any of your independence under this arrangement?

Mr. GIBBONS. I think it is a less-than-satisfactory arrangement, but it is one that we were happy to accommodate to, in this case the wishes of the Appropriations Committee. I believe it was the Defense appropriations bill that——

Senator REID. You would have to acknowledge that whether it works well or not, it does not look right. Would you have to acknowledge that?

Mr. GIBBONS. We certainly do not feel that because the funds to cover the work come from the Department of Defense that we are somehow prejudiced by the source of the funds. The Department of Defense has been very careful not to make any encumbrances in that regard on our work.

But I think the more fundamental difficulty is that if topics are mandated by statute rather than requested by committees, then the capability of the Technology Assessment Board to help use the funds provided for Congress in the optimum way for the whole Congress is bypassed. The role of the Board is bypassed.

So the Board rightly feels, I think—and I would concur with them strongly—that the better route is for requests to be made by committees with the Board deciding how these requests can be accommodated within the framework of the funds provided to us in the lump sum in our appropriations.

PROCESS FOR REQUESTING OTA STUDIES

Senator REID. What, then, is the basic difference between a request to you and a request to the General Accounting Office?

Mr. GIBBONS. A request to OTA is one of several mechanisms by which the Technology Assessment Board can approve new work at OTA.

OTA receives a lump sum appropriation. The Board helps me, as the chief executive officer, decide how those funds shall be spent in a way that maximizes their utility for the whole Congress.

This means that when a request comes to us from one or another committee, we work with that committee and then also other committees of jurisdiction, as Senator Stevens pointed out. Thus when we bring a proposal to the Technology Assessment Board, the proposal reflects not only the needs of the primary requesting committee but also the needs of other committees of jurisdiction. In that sense, we have coalesced as best we can the interests across the Congress in that issue.

The Board then considers the proposal in terms of its relevance to congressional need; in terms of whether the subject matter is within the domain of expertise of OTA compared, say, to some other agency; and otherwise, in terms of the appropriateness of the work. If the Board approves that proposal, then we undertake the work. Sometimes the Board will modify a proposal because they feel it may be just too large or too restrictive an idea.

In addition to these formal proposals, Mr. Chairman, which account for about 80 percent of our work, the Board can request a study on its own behalf. From time to time—I would say no more frequently than perhaps once a year, or maybe 5 percent of our time—we undertake work requested by the Board itself.

Finally, under the authority of the Board, I can undertake limited pieces of work, typically man-weeks or man-months, of so-called special responses which draw upon current work or upon completed work from which committees need a certain kind of information. So we have these so-called special responses, which also include testimony and briefings as well as documents.

PROCEDURES FOR COORDINATING WORK

Senator REID. You have covered this briefly, but if you could give some more information: in your testimony you gave, as I indicated, a brief explanation of the efforts made by your office to coordinate research projects between your agency, CRS, GAO, and the Congressional Budget Office. Are these procedures for coordinating research sufficient? If not, what do you think more should be done? And do you believe further coordination could be useful?

Mr. GIBBONS. Mr. Chairman, I am very satisfied with the present level of coordination and communication and active working amongst the four agencies. We have devised over the past 5 or 6 years several ways of assuring that within the agencies there is a lot of cross-checking to make sure that each agency has a chance to feed on the work of the others and also not to tread on their toes.

So we have a cross-notification system. We have periodic meetings about general topics of interest; for instance, a meeting on health technology or on water issues. There are regular meetings of the four agency heads to discuss with their helpers how things are going and how well the agencies are working as a team and meetings every 6 weeks or so of our senior agency representatives. When we are called by a committee, we frequently respond by saying, "Well, don't you think we should bring along some of our colleagues from this or the other agency?"

So we have developed, I would say, a good four-institution team which has developed a quite appropriate degree of coordination. And I am quite comfortable with it now.

Senator REID. Senator Grassley?

Senator GRASSLEY. Thank you very much.

SENATOR GRASSLEY JOINS OTA BOARD

I have just a couple of questions. But before I ask any questions, I would like to say that I look forward to working with you and OTA as a new member of the Board and appreciate very much Senator Dole's selecting me to do that.

I also have been acquainted with the work of OTA just through the documents, never on the very close look-see that we have as a member of this subcommittee or even on a continuing basis that I am going to have through membership on the Board. I hope that I am able to give a great deal of time to those responsibilities that I have as a Board member. I fully intend to give it a very important and utmost try.

I am going to do that not only through membership on the Board but, hopefully, through being able to observe some of the meetings that your study groups have. I hope to be able to do that so I will be able to learn more and contribute more than just what you have contributed to me over the last several years through the information we get from your fine work.

INCREASE IN RENTAL COSTS

The information I have that I want to relate questions to would deal with, No. 1, rental space, and No. 2, a question dealing with telecommunications. In the first instance on rent, my understanding is there is a substantial increase in rental in the present office space. Yet in your testimony you seem to indicate that the lease continues to remain favorable to the government. Now, that seems somewhat inconsistent, but I would like to have you elaborate on that. I am sure you can explain that.

Mr. GIBBONS. All right, sir; I will try. As you may know, OTA is in a commercial building on Sixth and Pennsylvania Avenue. The long-term lease was obtained for OTA in 1977. I think we probably moved in that building in 1978 or in late 1977. The rent was extraordinarily advantageous at that time because that was still sort of a commercial no-man's land up there.

Capitol Hill has developed; and when our lease ran out finally, we had to renegotiate. Our rent in fiscal year 1987, I believe, is a little under $12 a square foot. In the future, it is going to $21 a square foot, which is still several dollars below the market. We have been giving forewarning of this to our Board and the appropriations people for several years now, because we knew a good thing was ending.

We always look for government space first, but we have been unable to find it. But as we look for commercial space, there is essentially nothing that can compete with it.

I am also very pleased, Senator Grassley, that we are close enough to Congress to be able to get over here in 10 minutes or so. It is also nice to be about 10 minutes away from the firefights of every day within the Congress. I think we enjoy a special privilege as well as the responsibility to take that 10-minute separation and do some careful, quiet thinking, but not be more than about 10 minutes away.

Senator GRASSLEY. In regard to this new lease, does it include a clause that would allow OTA to terminate in the event another location, pursuant to congressional action, might become available?

Mr. GIBBONS. Yes, sir; I believe the unavailability of an appropriation or the lack of authority to rent space in the District of Columbia, is the basis for canceling the lease.

Senator GRASSLEY. So that in no way, then, would have OTA have a liability in the event that Congress would purchase a building.

Mr. GIBBONS. That is correct.

Senator GRASSLEY. Or even if we did not purchase a building, if we would mandate that you move to another facility.

Mr. GIBBONS. That would give us the basis for a lease cancellation.

COORDINATION WITH ARCHITECT ON TELECOMMUNICATIONS

Senator GRASSLEY. Now, on this business, as I suggested, on telecommunications, we would like to know the status of OTA's response to section 305 of fiscal year 1987 legislative appropriation bill. That was in regard to the Hill-wide telephone service.

Mr. GIBBONS. All right, sir. We have studied rather carefully both the House and Senate telephone system. In fact, one of our computer and telecommunications experts has worked with both Senate and House staff in that regard. We came to the conclusion that in terms of cost, space requirements, and timing, it would be most appropriate for OTA to become a part of the Senate telephone system. With the help of Senator Mathias and others, this was arranged for, and this is the direction we are now headed. Is that the answer you sought?

Senator GRASSLEY. Yes. The only question I would have is: Is OTA's response integrated with the efforts of the Architect of the Capitol?

Mr. GIBBONS. Yes; we have attempted to assist the Architect's office in every regard with respect to the planning and would continue to want to cooperate with those folks. But I think our primary determination was for us to try to become fully integrated and compatible with either one or the other system. We have to go with one or the other. Our own analysis told us that the preferable way to go would be with the Senate.

Senator GRASSLEY. Mr. Chairman, I will have two questions to submit in writing.

Senator REID. You will supply the answers to Senator Grassley and the commitee on the questions he will submit in writing?

Mr. GIBBONS. I will be pleased to respond.

Senator REID. Thank you very much for your time.

Mr. GIBBONS. Thank you, sir.

PREPARED STATEMENTS

Mr. Chairman, I have a statement for the record. I believe Senator Stevens has submitted his, has he not?

Senator REID. Yes; and I am glad you reminded me. I will make as part of the record a statement of Senator Orrin Hatch, who is a member of the Congressional Technology Assessment Board and ranking Republican on the Committee on Labor and Human Resources in the Senate. I will also submit a statement for the record from Senator Edward M. Kennedy, who is also a member of the Congressional Board Office of Technology Assessment and the chairman of the Education and Labor Committee.

Mr. GIBBONS. Thank you, Mr. Chairman.

[The statements follow:]

STATEMENT OF SENATOR HATCH

Mr. Chairman, as a member of the Technology Assessment Board which oversees the activities of the Office of Technology Assessment, I appreciate the opportunity to participate in this hearing on OTA's appropriations request. I have had the opportunity to work closely with OTA as a member of the Board, and I wanted to share my views regarding OTA with the subcommittee.

When it was written, "Alice in Wonderland" was purely fantasy, but, now, for many of us in Congress, it seems that Wonderland actually exists. The kaleidoscope of technological innovations has produced a landscape that looks like Wonderland to many uninitiated Members of Congress. "Curiouser and curiouser," Alice exclaimed, as she journeyed through Wonderland. In many cases, "curiouser and curiouser" accurately describes our feelings as we struggle to understand the implications of the decisions we must make in our modern technological wonderland where mushrooms which make you grow and cats which disappear no longer seem impossible.

The implications of technology-driven change, both good and bad, are very difficult to gauge, especially when we are constantly bombarded with information about new technologies. Yet Congress must still make decisions about the important questions which confront us. In this situation, there is a critical need for informed technological analysis. Congress established the Office of Technology Assessment 14 years ago to provide this informed analysis of the technological questions we must deal with everyday.

Most problems facing the nation include technological components. Congress has requested OTA assessments on a wide range of subjects in both the domestic and foreign policy arenas. OTA has issued reports on such diverse issues as international competitiveness, the state of domestic physical infrastructure, national security technologies, and national health goals. These OTA assessments have been used by Congress, the executive branch, and by groups outside of government to help shape national policies. A number of these assessments have particularly aided me in my work on the Senate Committee on Labor and Human Resources.

I believe that OTA provides a valuable service to the Congress by providing us with assessments of the impact of technology on significant areas of American life. Much of the information gleaned from these assessments would not be easily available any other way. These assessments can be valuable guides to the Members of Congress as we struggle to make decisions in the modern wonderland of technological innovation. With this in mind, I would urge your careful consideration of, and support for, OTA's fiscal year 1988 appropriations request.

STATEMENT OF SENATOR KENNEDY

I appreciate the opportunity to express my support of the Office of Technology Assessment's FY 1988 appropriation request, and I regret that I am not able to appear personally before the subcommittee this afternoon.

OTA has requested a budget of $19,270,000 for the coming fiscal year in order to attract additional high-level analysts and expand the level of services currently offered to the Congress. The request represents an increase of approximately $2.8 million over the $15.5 million appropriation for 1987, band the pending request for a supplemental 1987 appropriations of $904,000. OTA is Congress' best source of expert, unbiased information on the technological issues that daily confront us, and I believe the requested appropriation would be an excellent investment.

At the outset, I want to commend John Gibbons for his outstanding work as OTA Director. Usually, Congress has trouble thinking about the next day's issues, let alone next year or the next decade, but Dr. Gibbons is teaching us to change that.

Congress created OTA in the 1970's to advise us on those longer-range "Year 2000" issues, and OTA has succeeded in its mission beyond any of our expectations. Its reports are perceptive and of uniformly high quality, and it knows how to handle hot potatoes with insight and impartiality. Dr. Gibbons deserves a great deal of the credit for these results, and I commend him for his achievements.

Each year, OTA addresses a broad range of topics with policy implications that Congress must address. Along with other Members of Congress, I am looking forward to publication this Spring of two important reports on health issues. In New Developments in Biotechnology: Ownership of Human Tissues and Cells, OTA has addressed the growing use of these tissues and cells in biomedical research and in commercial technology. The steady growth of biotechnology companies raises important questions about the potential private market for human tissues and cells. This debate, in turn, is influenced by the question of whether patients and research subjects should be informed about, or profit from, the commercial value of their own tissues and cells. This uncertainty about property rights and ownership will affect both the research community and the commercial biotechnology industry. As with the debate over organ transplantation, this is an issue that will inevitably require Congressional attention.

Another forthcoming OTA report, Losing a Million Minds: Confronting the Tragedy of Alzheimer's Disease and Other Dementias, examined the tragic diseases necessitating long-term care for older Americans. The social problems caused by these conditions have become the focus of growing attention in recent years. Awareness of the severity of the diseases has increased, and we face the prospect of dramatic surges in the number of patients. Current costs are estimated in the range of $24 to $48 billion a year in the United States, of which approximately $4.4 billion is paid by federal contributions to Medicaid. The OTA report covers research on Alzheimer's disease; government response to demand for long-term care programs; financing of care; family obligations and burdens; and social and ethical implications. I look forward to publication of the report, and I believe it will be a major contribution to our understanding of the medical and social consequences of Alzheimer's disease.

I was particularly interested last year in a report from OTA's Food and Renewable Resources Program, Continuing the Commitment: Agricultural Development in the Sahel. I helped to initiate this study after I returned from visiting Ethiopia and Sudan. I felt that in developing a long-term aid strategy, we should apply some of the lessons of the past decade's effort in the Sahel. Since no public review of "lessons learned" had been undertaken, several colleagues and I requested that OTA do so. The report identified several valuable suggestions that are likely to lead to more successful assistance efforts in the future and to ensure that past investments pay off:

1) Successful agricultural technologies should be community-specific;

2) Promising technologies must be low cost and low risk. They must stabilize production while holding out the possibility for substantially increasing returns;'

3) The positive impact of development assistance can be improved by ensuring participation by the beneficiaries, providing long-term aid, and keeping projects simple;

4) Successful agricultural development requires compatible economic policies in the Sahel countries.

Some critical policy areas remain unresolved, such as how to balance food production and export crops, and the role of population programs. I believe the OTA report will help Congress to restructure our foreign assistance programs and provide a longer-term authority to help African nations recover from drought and famine.

The Committee I now chair, Labor and Human Resources, requested a report produced by OTA's Industry, Technology, and Employment Program last year. In Serious Reduction of Hazardous Waste, OTA found that waste reduction is critical to the prevention of future hazardous waste problems. Over 99 percent of federal and state environmental spending is devoted to controlling pollution after waste is generated. But reducing wastes to prevent pollution from being generated at its source is now a practical way to complement this costly pollution control system. Waste reduction succeeds when it becomes the everyday consciousness of all workers and managers involved with production. OTA reported that the Federal Government can provide leadership and assistance by helping industry and the nation view waste reduction not as a unique technology, but as a field ready for innovative engineering and management. We also need to clarify the definition of waste reduction, collect better information on it, and encourage waste generators to devote more attention to reduction.

Automation of America's Offices, a report from OTA's Communication and Information Technologies Program, was also produced for the Labor and Human Resources Committee. Office employment has grown faster than other kinds of employment in the past century. By 1990, one out of three office workers will probably use a computer terminal; by the year 2000, terminals may be as commonplace on office desks as telephones are today. OTA found that productivity gains are likely to be large, since automation shortens the time for many tasks. Clerical jobs will certainly be affected by slower growth in office jobs, as will some lower and mid-level management positions and professional occupations. Concerns have also been raised about health effects of automated work. Attention to current and potential problems is important, but should not obscure the promise of office automation to increase productivity and improve the quality of white-collar worklife. Government needs to improve its own capability of providing both the public and the private sectors with better technological and employment data, forecasts, and analysis.

I have mentioned just 5 OTA publications from 4 of its Programs. Ongoing work in the 5 other Programs is also of major importance to the Congress. For example:

The Energy and Materials Program is working on a study on High Technology Structural Ceramics and Polymer Composites to define the many opportunities for these products over the next 15 to 25 years.

The International Security and Commerce Program will soon publish a report on Technology Transfer to China. The report examines the role of imported science and technology in the plans of the PRC; the technology the U.S. and other nations can supply; the impacts of control and promotion policies on these transfers; and the security and commercial risks involved.

The Health Program is studying Technology and Child Health in order to bring together the current evidence on the effectiveness and costs of health care technologies in promoting and maintaining child health.

The Oceans and Environment Program has just begun an assessment of new Clean Air Act Issues. It will focus on air pollution concerns that are among the most contentious questions facing Congress, including urban ozone and toxic air pollutants.

The Science, Education, and Transportation Program has underway a study on Sustaining the National Technological Base through Education and Employment of Scientists and Engineers. It will identify and analyze factors affecting these professionals over the next two decades, including the interaction between public policies, private actions, and the nation's changing research work force.

This small sample of OTA's impressive assessments illustrates the wide variety of ways in which OTA now assists the Congress. Without this assistance, Congress would be forced back into reliance solely on advocates in the Administration and the private sector. We would lose the important benefits gained from OTA's nonpartisan expertise. I urge you to approve the 1988 budget request, so that OTA can carry on the work that is so essential to the smooth functioning of our low-tech Congress in our high-tech society.

SUBMITTED QUESTIONS

[The following questions were not asked at the hearing but were submitted to the Office for response for the record:]

QUESTIONS SUBMITTED BY SENATOR BUMPERS

Fiscal year 1987 Supplemental Request

Question 1: OTA is requesting a total of $209,000 in fiscal year 1987 for the cost-of-living increase. How much is the total amount of the needed increase and how much have you been able to absorb?

Response: The total amount needed for the cost-of-living increase is $209,000. Due to the heavy workload and unanticipated requests for work by Congress, we are unable to absorb any part of the increase and therefore request the entire amount for the supplemental.

Question 2: In addition to a FERS request of $545,000, you are seeking a program supplemental of $350,000. What are these funds for?

Response: The program supplemental of $350,000 is for telephone sets, lines, and related expenses necessary to accommodate the telephone system being installed by the Senate that will include expanded capabilities for OTA. A breakdown of the requested supplemental is as follows:

Line installation (340 lines)	$ 221K
Phone Sets (340 sets)	86K
Station Wiring	14K
Equipment/Wiring for Data Access Compatibility	29K
TOTAL	$ 350K

Question 3: These supplementals are partially offset by a reduction of $350,000 in nonrecurring equipment costs. Please explain. What type of equipment is involved and what factors lead you to determine that the equipment was not needed at this time? Do you plan to seek funds for this procurement in the future?

Response: The $350,000 supplemental is a one-time FY '87 equipment cost for the inclusion of OTA within the Senate's new phone system. The equipment must be purchased prior to the August installation date planned for OTA by the Senate and C&P Telephone Company. OTA currently is part of both the House and Senate systems. We do not anticipate future FY '88 equipment costs associated with the installation. However, there probably will be future equipment costs associated with the maintenance and upkeep.

Fiscal Year 1988 Request

Question 1: The budget documents note that you expected the number of assessments requested during fiscal year 1987 to decline. Is that assumption still accurate?

Response: Yes, OTA still projects that 25 different assessments will be formally requested (by a letter from a Committee Chairman) during FY 1987, which is a decrease of 1 from FY 1986. Please note, however, that these projections are inherently uncertain, and that our projection of 25 requests is still far in excess of the number of assessments that the Technology Assessment Board will be able to approve, given OTA's size and budget constraints.

Question 2: Workload information contained in the budget document shows a large increase in the number of staff papers prepared in the last two fiscal years. Why is this?

Response: The increased production of staff papers is driven by both the increasing supply of OTA's of knowledge about technology issues and the increasing demand for assistance from the Congress. OTA's policy has been to provide staff papers and other quick responses only in areas where the agency had been able to develop a particular expertise. The agency has completed about two hundred reports in its 15 years of existence, and that now gives us a very broad base from which to provide assistance on the highly technical issues of immediate, as well as long-term, interest to Congress. For example, in FY 1986 OTA provided staff papers based on previously completed studies (for instance, "Synthetic Fuels: A Background Brief," was largely based on OTA's FY 1982 report), and ongoing reports (for instance, "Scientific Equipment for Undergraduates: Is It Adequate?" based on current research for a report that will be published in 1988).

Question 3: Please provide a further breakdown of the contracts listed in Schedule F of the budget justification material. State specifically what the current contracts are for and note the requested increases.

Response:

Category	# of Contracts		$ of Contracts		Comments
	'87	'88	'87	'88	
			(in thousands)		
In-House Contractors	11	13	220	260	Purpose: Current in-house contractors are used in the following programs to supplement the expertise of the full-time staff: 5 in Industry, Technology, and Employment; 1 in Energy and Materials; 1 in Food and Renewable Resources; 1 in Biological Applications; 2 in Science, Education, and Transportation; and 1 in Communication and Information Technologies Increase: We anticipate an addition of 2 in-house contractors for approximately 20K each. Their assignment will depend upon the priority of needs of the various programs.
Panel/Work Group	730	790	558	636	Purpose: For FY '87 we estimate 620 panelist contracts and 120 working group contracts. Increase: We anticipate a number of more panel meeting and two more working groups. The average cost per participant of a panel or working group is $800.
Support Services	1	1	511	536	Purpose: The current Support Services contract provides the following areas of support: facilities management, publishing, word processing, and reproduction services. Increase: The increase of 5% is the estimated merit increase or wage determination increase based on the Service Contract Labor Standards Act.
Research Contracts	375	446 1/	2,402	3,133	Purpose: In FY '88 the estimated number of contracts per division is the following: 110 for Energy, Materials, and International Security; 147 for Health and Life Sciences; 136 for Science, Information, and Natural Resources; and 3 for General and Administrative. Increase: This increase corresponds to the anticipated increase in assessments, special response, and follow-on reports and to support the requested six senior level positions averaging 100K per position.
Purchase Orders	494	530	390	431	Purpose: Purchase orders cover activities such as building maintenance or repairs, equipment services, computerized information retrieval, license fees for computer software packages, and maintenance agreements on ADP equipment. Increase: We anticipate the dollar increase in purchase orders to be mainly due to inflation. We also anticipate requirements for more computer repairs, more computerized information retrieval, and more in-house training.
TOTAL	1,611	1,780	4,081	4,996	

1/ Increased by 50 contracts from the original number to correct a misstatement.

Question 4: Research contracts are estimated to increase by 6 percent, from 375 to 396, however the cost of these contracts is estimated to rise by 30 percent. What is the reason for this large increase, please be specific?

Response: The number of estimated contracts for FY '88 was incorrectly stated by approximately 50 contracts. The correct number is 446. We also anticipate that the average contract cost will increase slightly to $7,000 per contract in FY '88 due to inflation. The increase will be for one or more additional full assessments and to handle the increase in Congressional requests for testimony, special responses, and technical memoranda.

Question 5: The budget documents state that it is more cost effective to hire permanent staff than continue to use contracting or hiring temporaries for those needed abilities. Provide an analysis showing that it is more cost effective to hire permanent staff than temporaries.

Response: OTA's institutional memory in areas critical to Congress is spread too thin at present. When we get a request for information in an area of on-going Congressional activity, it is most often the case that the OTA staff most knowledgeable are already committed to one or more high priority activities for the same or other Committees. Frequently, we must therefore make the decision to delay work or not to answer the request. In cases of priority testimony and some other critical need, it is not feasible to refuse. The continued commitment on some of our staff is so intense that they are unable to expand or have to scramble to keep-up in their area of expertise. We can supplement their efforts with temporary or contract support - which we do, but when the task at hand is complete, those resources leave OTA and we do not capture the full benefit of their knowledge and labors for future use. Thus the cost effectiveness to OTA and the Congress suffers. For this reason, we have identified areas of the highest critical need and have made requests in FY '88 for these few additional staff. We could productively use more than we requested. The actual cost of permanent and temporary staff and in-house contractors is about the same in actual salary/benefits (overhead) dollars, but the continued institutional benefit of the permanent staff expert is of considerable value to Congress.

Some of the highest staff demand areas in recent years have been in health, hazardous nuclear and non-nuclear wastes, acid rain and environment, information technologies, national defense issues, competitiveness and trade, space and transportation technologies.

Question 6: What categories of positions are requested in fiscal year 1988? Please compare this to the listing of the most important staff needs.

Response: OTA will hire analysts and senior analysts to fill the requested staff positions. OTA is extremely "thin" in terms of in-house capabilities in certain areas of graduate-level professional expertise. For this reason, we are requesting authority to increase our staff ceiling by six to 149 employees. Although our needs will continue to be met in part by contracting or hiring temporaries for particular projects, it is far more cost effective to hire employees than to contract for those abilities that are in continuous demand at OTA. We have found it is essential that OTA have enough in-house technical expertise to retain "institutional memory" for issue areas that continue to be matters of Congressional concern. Outlined below are examples (covering more slots than we are requesting) of our most important needs.

1. Epidemiologist/Statistician

This position would be for an individual with a Ph.D. in Epidemiology and with very strong training and experience in quantitative, statistical analysis and methodology. A great many past and current OTA projects have benefited from such skills, and expected future uses would include continuing activities related to veterans, an assessment of nonstandard cancer treatments, an assessment of diagnostic and predictive medical tests, and assessment of indicators for quality of medical care, and continuing studies of genetic testing and child health issues.

2. Environmental Scientist/Engineer

This position would be for an individual with a technical education and strong quantitative skills and experience in one or more of the following areas: air pollution chemistry and transport; engineering and economics of controls and alternatives; industrial applications; state implementation of regulation. In the past, OTA has devoted a substantial portion of its resources on the nature, effects, management, and prevention of various waste streams, and this person is needed for future work on both air and water pollution, which Committees continue to request.

3. Computer Scientist/Engineer

This position would be for a technically-trained person with practical experience and strong policy interest. The pace of change in computer technology will remain very high for the indefinite future, affecting every facet of the nation's life. Congress' need for in-house analytical help on this issues is reflected in numerous requests to OTA for assistance. This person would be of use in assessing issues raised by the growth of computer/communications networks and by the incorporation of information technology within the telecommunications system.

4. Engineers with Industrial Experience

OTA has a need for 2 persons with graduate degrees in this area plus several years of experience and excellent writing and communications skills. One person would analyze industrial competitiveness and integration of technology with workplace skills and motivation; the person is required for OTA to continue its work on the role of science and technology in affecting U.S. industrial competitiveness. Another person is needed to analyze the processes by which high-tech industries determine performance characteristics and design features ofnext generation products;

this person is needed for such work as: 1) comparison of U.S. and other military technologies; 2) a possible study of future space trasnportation technologies; and 3) an evaluation of new materials technologies as they affect industrial competitiveness.

5. Physical Scientist

This position would be for a Ph.D. level person with experience in scientific research and knowledge of research institutions and the methods of organizing research of various sizes and levels of complexity. This person would work on various issues related to science policy, such as big science/little science, efficacy of multinational joint ventures, and government/university/industry consortia.

6. Industrial Trade and Technology Transfer

This position would be for a person with advanced degrees in political science or a related discipline and experience in analyzing U.S. and foreign trade and development policies. This person would assist: 1) OTA's work in analyzing the policies of foreign producers with respect to technology and market development; and 2) OTA's analysis of how technology is transferred among firms and countries, and the relationships between multinationals and the countries in which they operate.

7. Rural Sociologist

This position would be for a Ph.D.-level person who could contribute to the design and implementation of future OTA studies addressing important food and renewable resource issues identified by the Congress. Areas of study would include the problems of storing and handling surplus grain on farms and elsewhere and analysis of the federal role in assisting the small and part-time farm operators to continue to be able to farm productively.

Question 7: Are OTA salaries competitive with other areas of employment for these types of skills?

Response: A number of studies have demonstrated that many federal government salaries are not competitive with private sector salaries. This is especially the case with scientists and engineers and, thus, directly affects OTA salaries.

OTA's most recent example involved a PhD candidate who received an offer of $41,000 for a university teaching position. Based on comparable salaries among research staff with similar backgrounds, OTA offered $32,000. Fortunately, the individual accepted OTA's offer despite the large difference.

This situation occurs with some frequency. Individuals impressed with the quality of work produced by OTA and personally interested in specific on-going assessments have accepted OTA's offers of reduced salaries. The psychic income of working in an agency with the prestige of OTA has paid out dividends to Congress.

A recent review of OTA exit interviews over the past two years indicates that almost 61% of research staff who separated from OTA received salary increases of $8,000 and above.

OTA salaries for new hires are competitive with those for new hires in the federal executive agencies. The acceleration of executive agency salary increases after employment, however, proceeds more rapidly than OTA salary increases, and OTA also has no analogous means of additional compensation such as is used in the Senior Executive Service.

Question 8: Do you have any difficulty recruiting and retaining staff? What is the average length of service of the OTA staff?

Response: OTA has developed several extensive recruitment networks that have proven to be quite successful. OTA rarely but occasionally experiences difficulty in recruiting specialized expertise which is in limited supply, for example, an advanced materials scientist and an aeronautical engineer knowledgeable in space ship design.

OTA has not experienced much difficulty retaining quality staff due to the increased prestige and credibility of the work produced by the Office. Turnover among permanent research staff has hovered around 10% for the past four years.

The average length of service for permanent staff is approximately four years. Fifty-one percent of the permanent staff have less than five years of OTA service. The average tenure of temporary staff is 18 months. OTA is convinced that a lean staff constantly refreshed by the input of new expertise more closely attuned to the current assessments requested by Congress is a critical measure of the success of OTA.

Question 9: Please provide a breakdown of the increase in the contracted services for each Division.

Response: The following is a breakdown of the increase in the contracted services by Division (in thousands of dollars):

Division	Inflation Increase	Program Increase	Total Increase
Energy, Materials, and International Security	29 1/	158 2/	187
Health and Life Sciences	50 1/	297 2/	347
Science, Information, and Natural Resources	57 1/	271 2/	328
General and Administrative	41 3/	12 4/	53
TOTAL	177	738	915

1/ Inflation rate of 4.1% applied to FY '87 base for research contracts and purchase orders.

2/ Increased contracting services (panel meetings, panelist travel, workshops research contracts, purchase orders) associated with increased assessments, special responses, and follow-on reports and associated with the requested senior level positions.

3/ Estimated facilities management wage determination increases or merit increases averaging 5% applied to FY '87 base (based on Service Contract Labor Standard Act) for 25K; anticipated increase in cost of contract with Library of Congress for accounting and financial services for 15K; inflation rate of 4.1% applied to FY '87 base for purchase orders for 1K.

4/ Increased contracting services associated with in-house training.

Question 10: Please provide the details of the replacement and upgrade of worn out and/or obsolete ADP equipment. What function is the equipment to perform, what type of equipment is required, what alternatives were considered and why were they rejected?

Response: OTA is currently a highly automated environment with 163 IBM PCs and 68 NBI PCs. The office and the production of it's products are totally linked and dependent on these computers.

We anticipate some replacement of worn out or obsolete equipment, as well as upgrading of current equipment for expanded capabilities, and to complete the networking of our computers, both will increase overall productivity. OTA is considering only those products that would be compatible with the current equipment in-house. Details are provided below:

Replacement/Upgrade of Equipment	Reason for Replacement/Upgrade
Replacement of older printers	Excessive use and high maintenance costs.
Replacement of monitors	Constant use; alleviation of eye strain and physical discomfort.
Replacement of disk drives	In lieu of costly repair of machines.
Upgrade of memory	Expanded capabilities for higher tech software required for analytical work.
Upgrade of network cards and cables	Increased communication between programs and offices for sharing of data bases.
Upgrade of printers	Enhanced printing and graphics capabilities to produce better graphics at less cost.

BIENNIAL BUDGET CYCLE

Questions:

Calls for budget reform are increasingly heard as budget deadlines are too often missed, important budget decisions are delayed, appropriation bills and other direct spending legislation are held up in committee, and omnibus spending bills take the place of timely and orderly consideration of individual bills. One procedural reform that is being considered is the two-year budget cycle where budget and appropriations matters would be considered in the first year, and authorizations and oversight would be undertaken in the second year.

1. Would your department/agency favor a biennial budget process? What benefits would your agency achieve in a two-year appropriation cycle?
2. Approximately what proportion of your annual appropriation request would you consider simply repetitious of the previous year's submission?
3. What difficulties can you foresee in preparing and submitting a two-year budget to the Congress?
4. Would you expect to realize any budget savings if you could plan your agency budget on a two-year basis? If so, could you estimate how much?
5. If you oppose the biennial budget concept, please give this subcommittee your reasons why.

Background

On January 29, 1987, Senators Roth, Domenici, and others introduced S. 416, the Federal Budget Reform Act of 1987, that would a two-year federal budget cycle. The bill has been jointly referred to the Senate Committees on the Budget and on Governmental Affairs.

Response:

Background

The Office of Technology Assessment (OTA) has a continuing authorization, and continuous oversight is provided by the Congressional Technology Assessment Board (TAB). The Subcommittees on Legislative Branch Appropriations provide annual oversight in their review of OTA's budget request. The House Committee on Science, Space, and Technology and the Senate Committee on Rules and Administration provide periodic oversight, which could be increased to biennial, but that would considerably duplicate the activities of TAB. Generally the oversight committees involve themselves in OTA's work only when there is a problem with our basic legislation, and there are no such problems at present.

Response to Questions 1-5

1. A two-year appropriation cycle would not significantly affect OTA's budget process.
2. Most of OTA's annual budget submission is repetitious, with the exception of requests for increased staffing levels and large,

unforeseen Congressional requests for information on specific issues.

3. The only foreseeable difficulty with a two-year appropriation cycle would be our inability to predict accurately, over a two-year period, a significant increase in Congressional requests or a legislative mandate for a study. This problem could be handled with supplemental funding, however.
4. OTA would not realize any substantial budget savings from a two-year cycle, though there might be some increase in productivity due to a longer planning cycle.
5. OTA does not oppose the biennial budget concept.

GOVERNMENT PRINTING OFFICE

STATEMENT OF RALPH E. KENNICKELL JR., PUBLIC PRINTER OF THE UNITED STATES

ACCOMPANIED BY:

M. JOSEPH CANNON, COMPTROLLER

DONALD E. FOSSEDAL, ASSISTANT PUBLIC PRINTER AND SUPERINTENDENT OF DOCUMENTS

Senator REID. We will now ask to come to the witness table Mr. Ralph Kennickell, Public Printer of the United States.

We appreciate very much your being here. Would you introduce the gentlemen at the table with you?

INTRODUCTION OF ASSOCIATES

Mr. KENNICKELL. Thank you. On my right is Joe Cannon, Comptroller of the agency. On my left is Don Fossedal, Assistant Public Printer and Superintendent of Documents.

Senator REID. We look forward to your testimony for fiscal year 1988. Please proceed. We have a copy of your statement. We will make that a part of the record. What we would ask that you do at this time is summarize your statement.

OPENING STATEMENT

Mr. KENNICKELL. Thank you, Mr. Chairman. I am pleased to present the appropriation request before this committee. We are seeking $99.2 million for fiscal year 1988.

We are requesting $72.7 million for "Congressional printing and binding operations." That is the same funding we were granted last year. We are seeking $26.5 million for the "Salaries and expenses" appropriation, which covers primarily our Superintendent of Documents Depository Library Program. That is an increase over last year's funding.

Since the appropriation hearing in the House, the employment levels of the Government Printing Office have dropped by six. We have 5,216 employees on board as of today. We feel comfortable with where we are, and we are moving aggressively into trying some new technologies.

We hope that one of the things that this committee discusses and considers is possibly making some modification to the employee ceiling levels that were imposed on GPO almost 2 years ago.

Before I conclude my brief remarks, sir, I would like to publicly thank Jack Gibbons of OTA for the kind remarks he made about the Government Printing Office. He indicated success, with some of their studies being used in China and also in Japan. That is something that we are very proud of, that Government documents are now being distributed worldwide.

Thank you, sir, and I look forward to your questions.

Senator REID. Thank you very much.

[The statement follows:]

STATEMENT OF RALPH E. KENNICKELL, JR.

MR. CHAIRMAN AND MEMBERS OF THE SUBCOMMITTEE:

My colleagues and I are pleased to be here today to present the funding requirements necessary to carry out the responsibilities of the U.S. Government Printing Office for fiscal year 1988.

Budget Request

The funds requested for fiscal year 1988 for those programs that require appropriations directly to the Government Printing Office amount to $93,700,000 in new budget authority. This is a decrease of $1,256,000 from fiscal year 1987. The request consists of $72,700,000 for Congressional Printing and Binding and $21,000,000 for the Salaries and Expenses Appropriation of the Superintendent of Documents. For the Salaries and Expenses Appropriation, we are also requesting authority to transfer $5,500,000 from the Revolving Fund in fiscal year 1988, as well as pay and retirement supplementals totaling $179,000 for fiscal year 1987.

As you know, new budget authority appropriated to the Government Printing Office has declined each year over the last three years, with a total reduction of approximately 25 percent. During the same period, our employment has declined through normal attrition by over 500 people. These reductions have been achieved through joint efforts on the part of the Congress and GPO. Certain non-essential services have been eliminated and significant cost savings have been achieved in a number of operational areas. Our modernization efforts and increased emphasis on customer service have resulted in improved services better attuned to Congress's priorities.

Our request of $72,700,000 in fiscal year 1988 for the Congressional Printing and Binding Appropriation includes funds to pay for the cost of copies of publications that are distributed to recipients other than Congress, and which are now being charged to the Printing and Binding Appropriation. To reduce administrative overhead costs, we are proposing to combine the Congressional Printing and Binding Appropriation and the Printing and Binding Appropriation into a single appropriation. For this single appropriation, we are requesting the same level of funding in fiscal year 1988 which was provided this year for the two separate appropriations. We expect to be able to absorb all mandatory cost increases, such as for labor and materials.

While we expect volume increases in a number of categories of work, such as committee documents and reports, they should be largely offset by volume decreases in other categories, such as document envelopes, franks, and miscellaneous publications. In order to stay within our budget request limitations it will be necessary to continue throughout fiscal year 1988 the measures instituted in fiscal year 1986 to achieve the sequester amounts.

In addition, following the precedent established by the Congress over the past two years, we are deferring our request for funds for the 1988 Bound Record at this time. However, since this publication is required by the Congress, we will begin work on it using other available funds. This is in accordance with instructions in last year's report language. However, it may be necessary to request supplementals in order to complete these Bound Records.

The total funding request originally submitted for the Salaries and Expenses Appropriation in fiscal year 1988 was $24,500,000, of which it was proposed to derive $3,500,000, representing excess receipts from the sale of publications, from the Revolving Fund. Including our proposed supplemental request, this represented an increase of $687,000, or 2.9 percent, over the 1987 level. This increase is primarily due to mandatory items, such as annualization of pay raises, the new Federal Employees Retirement System, and the extra day of pay. Also, six additional FTE's were requested for the Depository Library Program for the ordering and processing of microfiche publications.

This request was based on a continuation of the policy, that has been stipulated in the reports accompanying our appropriation bills for the last few years, of converting additional hard-copy publications to microfiche distribution as a way of reducing cost. Since the submission of this request, however, we have received further direction from the Joint Committee on Printing to continue to provide hard-copy publications to libraries that request them. Because of this, I am requesting that an additional $1.2 million be derived from the Revolving Fund Appropriation to fund the additional costs of hard-copy publications.

Also because of this change in direction, I am requesting only three additional FTE's for the Depository Library Program, but will need three additional FTE's for the Cataloging and Indexing Program to respond to the JCP's request to reduce the backlog of approximately 9,000 publications which need to be cataloged.

In addition, also at the request of the JCP, I am requesting an additional $800,000 to be derived from the Revolving Fund and added to the Contingency Fund to fund a pilot study dealing with the electronic transmission of information to depository libraries that has been proposed by the Ad Hoc Committee on Depository Library Access to Federal Automated Data Bases. This brings the total funding request for the Salaries and Expenses Appropriation to $26,500,000.

Gramm-Rudman-Hollings Reductions

Last year this Committee reported that the program of printing cutbacks made necessary by the Gramm-Rudman reductions was to be continued in order to yield savings in fiscal year 1987. Consequently, we plan to continue those actions in fiscal year 1988. With few exceptions, the individuals and groups affected by the cutbacks seem to have adjusted to them without undue difficulty. However, the Department of State has requested the assistance of the JCP to have funding restored for the printing of international agreements in the Treaties and Other International Agreements Acts Series (TIAS). The funding allocation for this purpose was eliminated from the Printing and Binding Appropriation under the sequester plans which were implemented last year. Accordingly, the Department of State was required to requisition the work and to provide the funding. The JCP has agreed to their request and, if this Committee does not object, we will fund those TIAS publications from the Printing and Binding Appropriation in 1987 and from the Congressional Printing and Binding Appropriation beginning in 1988.

Service to Congress

Providing the highest quality service and the fastest possible turnaround time for Congressional printing jobs has always been GPO's first priority. GPO performs a critical role in the legislative process, where timely delivery of floor proceedings, calendars, bills, hearings, reports, and other documents are vital to the orderly conduct of Congressional business. We have undertaken a variety of actions and are pursuing others to ensure that GPO meets or exceeds the standards established by Congress for its printing needs.

One problem area of particular concern to both the Congress and the GPO is cuts in the Congressional Record. This refers to the practice whereby the printing of one day's proceedings is terminated in that issue of the Record and continued in the issue for the following day or as a subsequent part. Cuts are sometimes caused when a Member requests permission to revise his remarks and then holds the copy out for a lengthy period of time. Cuts are also due to late receipt of copy. Of course, these problems are most likely to occur when the House and Senate work late and reconvene early the next morning, or when they work through the night. We will pursue efforts to inform Members and staff of production requirements and to instill a greater degree of cooperation and understanding concerning the "Laws and Rules for Publication of the Congressional Record". Stricter enforcement of the rules regarding outs may occasionally be required.

Implementation of the automated bill system, whereby a database of bills is maintained and updated by Congressional staffers and various versions are made available for printing through the transfer of bill texts on computer tape, has reduced the time required to prepare bills for printing in the Record. Even with this system, however, greater attention to the procedures required to take advantage of this technology will improve the turnaround time for the production of the Record. A greater emphasis on automated technology as a means of expediting the production of the Record is an area that Congress and GPO together should continue to explore. For example, greater use of tapes as opposed to hard copy for data transfer, automation of the indexing of the Daily Digest portion of the Record, and high-speed information entry systems are areas of potential for future development.

Single Proofreading

The procedure of team proofreading was eliminated at GPO in February 1986, in favor of single, silent reading which is the accepted industry-wide proofreading practice. We, at GPO, have performed quality control tests to ascertain the wisdom of this move. The results of these quality control procedures have shown that GPO has maintained its quality standards while at the same time increasing productivity and decreasing cost. However, I remain dedicated to the mandate that GPO continue to improve composition quality especially in relation to the Congressional Record and Federal Register.

We have developed and implemented standards for both quality and quantity for our video keyboard operators. The decrease of errors at the input stage of the composition process should improve the end product.

We have also finalized negotiations for implementation of quality and quantity standards for our proofreaders. We implemented these standards on February 15, 1987, and we will use the data gathered from this effort to help identify our proofreader weaknesses. In conjunction with the keyboarding standards, the proofreading standards will give us the tools necessary to improve quality.

Bound Congressional Record

In order to become more current with the Bound Records we have assigned a project supervisor with the responsibility of coordinating and monitoring all processing of the Bound Records throughout the prepress activities on all shifts.

Last year we undertook an accelerated approach to produce the 1985 Bound Congressional Record. This Bound Record will consist of approximately 27 parts. The composition has been accomplished on 16 of these parts. We have delivered three completed parts and the balance is in various stages of completion.

The 1981 Bound Record has been completed and delivered with the exception of the Index which we hope to complete in the near future. The Bound Records for 1982, 1983, and 1984 are in various stages of production.

Microfiche Distribution to Depository Libraries

Late last year many Members of Congress, including several members of this Committee, received letters and other communications from the library community expressing their dissatisfaction with a proposal to eliminate dual-format distribution to depository libraries. This proposal was made to reduce the costs of this program and I would like to offer, for the record, the rationale for this decision.

In 1978 GPO began distributing a number of government publications in microfiche format to depository libraries. This use of microfiche had been recommended by the Public Printer's Depository Library Council and affirmed by 75 percent of depository libraries that responded to a survey. As an alternative to hard-copy publications, microfiche costs far less to produce and distribute, while enabling the recipient libraries to store a great many more depository publications within their collections. Microfiche conversion appeared to be a win-win proposition for both GPO and the depository library community.

In order for GPO to comply with the spending reductions approved for fiscal year 1987, it was necessary to reduce Printing and Reproduction expenses in the Depository Library Program. Within this Program there are three main categories of printing: First, there are those publications which are distributed in microfiche-only, and for which there is no way to cut costs further. Secondly, there are those publications currently distributed in hard-copy only many of which can be converted to microfiche-only in the future to reduce expenses. In fact, GPO increased the percentage of microfiche-only publications from 54 percent in early 1986 to 60 percent by year-end, in accordance with recommendations from the Depository Library Council. Unfortunately, hard-copy only conversion to microfiche-only is a resource-intensive process with relatively uncertain savings results. For example, we can't easily predict which agency publications will not physically lend themselves to microfiche conversion. Finally, for most publications currently distributed in dual-format (i.e., optional hard-copy or microfiche) elimination of the hard-copy version would yield savings that are immediate, relatively predictable, and certain. Moreover, there would be no additional workload or other resource costs to GPO if dual-format were eliminated; this is the "pure savings" option. However, I had recommended that a handful of exceptions with universal interest, such as the daily Congressional Record and Federal Register, be continued as dual-format publications.

The Joint Committee on Printing did not approve this proposal and has since further clarified their position on hard-copy distribution to depository libraries. As long as sufficient funds are made available, we will adhere to their policy and provide hard copy to those libraries that request it.

Bookstores

With a renewed awareness that GPO bookstores are an important part of the GPO sales program and help to fulfill the mission of the Office, I have placed increased emphasis on further strengthening this component of our operations. A key to the continued success of the bookstores is their location. As this committee is aware, many of our bookstores are located in federal buildings or other facilities that do not provide visibility or convenient public access. To address this problem, this year I relocated the Philadelphia bookstore and I am pursuing ambitious plans to relocate the Birmingham, Houston, Pittsburgh, and Farragut West bookstores prior to the end of this fiscal year as well as relocating the San Francisco and Denver bookstores during fiscal year 1988. In addition to these relocations, my plans provide for renovations to the Chicago bookstore in fiscal year 1987, and for determining the feasibility of opening three new bookstores: one near the end of fiscal year 1987, and two during fiscal year 1988. The locations currently being considered are Portland, Oregon, Indianapolis, and Minneapolis.

During fiscal year 1986, the GPO bookstores contributed significantly to overall sales program revenue. Total sales for all bookstores increased in fiscal year 1986 by more than $2.0 million. Similarly, their contribution to the sales program surplus more that doubled to a total of $2.2 million. During the same period the number of customers served increased by approximately three percent. I am confident that the successful accomplishment of our current plans will further increase the viability and importance of this program.

U.S. Books Abroad Program

In early 1985, I directed the Superintendent of Documents to begin an investigation of the potential for increasing the sales of publications outside the United States. The objective of this program was to identify feasible avenues by which the volume of foreign sales might be cost-effectively increased.

Beginning at the Frankfurt Book Fair in 1985, GPO has been exploring the possibility of establishing non-exclusive distributorships with indigenous book importers, wholesalers, retailers, and publishers. Firms in Italy, the United Kingdom, and Canada have now begun offering GPO sales titles. In addition, an importing company owned by the Chinese government has agreed to make our books available to Chinese libraries and universities.

We have compiled data on the foreign sales of subscriptions by country, and have developed an automated system that is now beginning to collect country-specific data about sales of monographs.

In addition, we have displayed GPO books at U.S. Information Agency exhibits around the world, including book fairs in Frankfurt, Madrid, Cairo, and Delhi. At the Saudi Book Fair in January, GPO titles were so popular that more than two dozen firms expressed interest in selling them in Saudi Arabia and other Gulf countries. Plans for the future include exhibits in Mexico City, Buenos Aires, Jerusalem, and Manila, and a continuing effort toward recruiting additional foreign-based book importers to sell GPO sales titles.

International Government Printers' Conference

The Government Printing Office plans to host a three-day conference of government printers from around the world in Washington, DC, in June 1988. The purpose of the 1988 International Government Printers' Conference is to provide a forum for the free exchange of information in the resolution of problems common to the government printing field, and toward the improvement of government printing through the application of new methods and technologies. The Conference will be modeled on the highly successful 1984 International Government Printers' Conference held in London, which was attended by 43 delegates from 28 nations. Preliminary contacts with government printers worldwide indicate that there is strong interest in the 1988 Conference, and we hope to make it the largest and most successful gathering of government printers ever attempted.

As the largest and most technologically advanced government printing institution in the free world, it is fitting that GPO should undertake this effort. Moreover, the coincidence of the Conference with the 100th Congress, in addition to the bicentennial of the Constitution, will serve to make this gathering a truly historic event. GPO's Revolving Fund would incur some normal program support costs, such as for printing, transportation of delegates from the conference site to GPO and back, audio-visual and communications equipment, and related items. However, since no funds would be spent on travel of delegates nor for their food and lodging, we have not requested Revolving Fund language to host this conference. We have, however, requested approval from the Joint Committee on Printing.

Agency Printing Plants

As a public official, it is my responsibility to continue to voice my concern regarding the serious and intractable problem of nonessential Government printing and duplicating facilities nationwide. There are at least 850 printing and duplicating plants operated by Federal agencies, the bulk of which could be phased out by transferring their responsibilities to GPO who in turn would contract for this printing from the private sector, at substantial cost savings. The excess plants are a waste of the taxpayers money and present an excellent opportunity to reduce the Federal budget deficit without any reduction in Government programs or services. Last year, GPO procured about $530 million in printing from the private sector. GPO has in place a nationwide network of regional printing procurement offices capable of meeting increased Executive Branch requirements and achieving the benefits of privatization. We have commercial printing procurement bid lists of more than 12,000 private firms able to bid competitively on all types of work. The standard procurement documentation is in place and known to commercial bidders.

Employment Ceiling

Congress initially imposed an employment ceiling on GPO in fiscal year 1986 and further reduced that ceiling in fiscal year 1987. These actions were superfluous in that GPO employment had been declining rapidly through attrition for the previous ten years without a ceiling and the mandated reductions would have been achieved regardless. However, the long term implications of a ceiling are adverse to our ability to carry out our mission. We are rapidly approaching the point where reduced personnel requirements due to increased automation will not be as dramatic as they once were. We are experiencing shortages in certain craft areas. Moreover, one of the basic advantages for which Congress adopted the revolving fund mechanism - the flexibility to adjust resources levels to match the demand for services - is compromised by imposition of an arbitrary ceiling. GPO must be able to respond to the immediate and unpredictable requirements of our customers, who in return, are responsible for reimbursing the Fund for the cost of providing those services. If Congress continues to insist on a statutory ceiling, I would propose that it be limited to the Operations area. This would restore management flexibility in the Procurement area where it may become critical for us to expand capacity on short notice in order to handle a major shift of work from agency plants to GPO.

Flexitime Proposal

Contributing to some degree to the dilemma of the employment ceiling is that, for some unknown reason, GPO was not included in the flexitime legislative of a few years ago. In 1986 we addressed this problem by proposing corrective legislation but Congress adjourned before they had an opportunity to pass it into law. We are requesting resubmission of that bill for consideration in this session.

Modernization

An important corollary of our traditional adherence to the values of service and craftsmanship is our commitment to staying in the forefront of technology. We are pursuing innovative approaches in such areas as electronic networking and data transfer, management systems, contracting, customer service, and marketing. Major enhancements have been made to our state-of-the-art computerized Executive Information System. We have completed automation of the Congressional Record mailing lists. On-line retrieval capability for the Congressional Record Index has been developed.

In addition, GPO has developed a dial-up data base composition service which gives customers the full power of GPO's composition system in their offices. This system permits transmission of data keyed on word processors or microcomputers over phone lines from a customer agency to GPO for page composition and the return of the data automatically to the customer for proofing via laser printers. It is presently in use at the House Clerk's Office, the House Veterans' Affairs Committee, and the Federal Aviation Administration.

We have also installed a new five-color 50-inch sheet-fed press and related binding equipment for the production of passports and postal cards. Other plans include the procurement of two new high-speed web offset presses to improve versatility in producing the Congressional Record and other similar publications.

New Inspector General Offices

When I arrived at GPO I found that the Office of the Inspector General was understaffed and was quartered in temporary space on four different floors located in five different offices in the main GPO building. To provide GPO with improved capability to conduct a full range of audits and investigations in our procurement, managerial, operational, and financial areas, I initiated an expansion of the Office of the Inspector General. To provide the necessary space for the organization and to bring all of their personnel together, I proposed to the Joint Committee on Printing the construction of a 11,000 square foot office complex on the fifth floor of GPO's main building. The project was approved by the JCP in March 1986 and recently was completed by GPO personnel. The project includes a vault-type evidence room, rest rooms, heating and air-conditioning systems, and efficient modular design furniture.

Legislative Proposals to Strengthen the Inspector General

Equally inadequate were some administrative tools necessary for the Inspector General's Office to operate as effectively as IG departments in the Executive Branch. Last year we submitted legislative modifications to correct this, but due to lack of time the measure did not get considered. We are again requesting that this bill be resubmitted to the Congress. When passed into law, it will make our IG operation whole and more qualified to perform its tasks.

Vehicle Leasing Proposal

In May of 1985, I proposed to the Joint Committee on Printing that GPO consolidate its fleet of vehicles with those of the General Services Administration, under their Fleet Management Program. This proposal was initiated because studies conducted by both GPO and GSA indicated that it would be more economical to lease vehicles from GSA rather than continue to maintain our own fleet. In view of this proposal, beginning with fiscal year 1986, GPO's usual appropriations language was revised to authorize the lease, as opposed to purchase, of passenger motor vehicles.

We have been engaged these many months in an attempt to convince the JCP of the monetary benefits and other advantages that would accrue to GPO as a result of leasing all of our vehicles. We are now preparing a statement of policy on the motor vehicle issue that, hopefully, will address the major JCP concerns. Once that is complete I will resubmit our request to the JCP, based on that statement of policy as well as reduced operating costs, a more modern fleet of vehicles, and more frequent vehicle replacement than is currently possible. I am firmly convinced that the GSA Fleet Management Program affords us a golden opportunity to improve our delivery functions.

Academic Advisory Council

We constantly seek the best possible advice and guidance in fulfilling our mission and to strengthen and broaden our contacts with the printing and publishing industry. In addition to the Depository Library Council, we have revitalized GPO's participation in the Federal Publishers' Committee and the Interagency Council on Printing and Publications Services, both of which are important vehicles for intra-governmental cooperation and constructive feedback. Recently I formed the Academic Advisory Council to offer overall support to GPO programs and to pursue a three-fold objective: to advise the Public Printer of significant, ongoing technical and humanistic research and development activities in the graphic arts community; to discuss trends and transitions taking place in Government information reproduction and dissemination activities which may influence the educational requirements for our future managers, administrators, and operating practitioners; and to establish a forum which promotes communication among Council members with regard to the future direction of the graphic arts field. Representatives from eight colleges and universities with widely-respected graphic arts programs are serving on the Council, which held its first meeting at GPO headquarters in November 1986.

Economy Act Waiver

The provisions of a law enacted in 1932, popularly known as the Economy Act, are adversely impacting GPO operations in a way not originally intended by the Congress. This law limits expenditures for alterations, improvements, and repairs of leased premises to 25 percent of the first year's rent. GPO has entered into several long-term leases with renewal options which are financially advantageous to the Government. However, we have reached or are fast approaching the 25-percent limitation for these properties based on the amount of the rent for the first year of the rental term. Consequently, in order to comply with the Economy Act of 1932, GPO has been forced to hold up alterations or improvements that are relatively inexpensive but drastically needed. For example, we need to install a protective shed at a warehouse due to problems of theft and vandalism. At another location, we need to build an access door and ramp in order for customers to load bulk orders. In order to remove the limitations imposed by the Economy Act and to allow GPO to continue to take advantage of these low cost long-term leases, we request that a waiver for GPO be included in the fiscal year 1988 appropriations act.

Closing Remarks

Last year, we observed the 125th anniversary of the establishment of the Government Printing Office. Just as significant, we saw the fruition of major changes in the spirit of GPO which has invested our employees with the goal of making GPO a truly demand-driven service-oriented agency. Our workers and managers alike are embodied with a new sense of cooperation and a commitment to upholding GPO's tradition of excellence in a new era. GPO is prepared to lead the way with new, imaginative, and innovative approaches to meeting the information needs of our customers. This concludes my prepared statement. I and the other GPO witnesses would be pleased to respond to any questions.

WORKFORCE

Senator REID. The committee has information that maybe as much as 50 percent of your workforce is eligible for retirement in the next few years. Do you know if that is the case?

Mr. KENNICKELL. Mr. Chairman, the figure is closer to 15 percent. But we do have an aging workforce. Our median age, I believe, is around 48.

Senator REID. That is younger than Congress.

Mr. KENNICKELL. It is 7 years older than I am.

Senator REID. Would you outline your plans, if any, that you have made to ensure that the legislative and executive branches retain the same level of service, or better, than currently provided with that workforce being as old as it is and with so many of them eligible for retirement within 3 years?

Mr. KENNICKELL. Yes, sir; I have completed an assessment of the internal employment practices and the staffing levels in GPO. I concluded early on in my administration that GPO had been attriting almost in a mindless manner over a number of years. Certain GPO production operations were reaching critical levels with regard to staffing.

Last year, I completed a workforce study which concluded that GPO must have certain minimum staffing levels that are absolutely essential if it is to provide for its printing responsibilities to the Federal Government, particularly the Congress.

I have implemented those manning levels, and we are now starting to increase the training of our employees. We have gone out to college campuses and recruited printing specialists. We have an apprenticeship program that we started in the past 12 months.

There are a lot of very positive things happening right now. However, if 15 percent of my workforce were to leave tomorrow, I would not be able to recover overnight. But I believe that with the policies that we have in place now, with the manning documentation we have, with the substantial amount of equipment requests for a modernization program that we are trying to get implemented, we are on the right track. The equipment request is in front of our oversight committee staff. It has been there for some time awaiting their recommendation.

DUAL-FORMAT DISTRIBUTION

Senator REID. I am sure you knew a question like this was going to be asked. Most Members of Congress have received letters from various libraries around the country concerning the elimination of dual-format distribution of materials. You are aware of that, right?

Mr. KENNICKELL. Yes, sir.

Senator REID. I note that your 1988 request contains $1.2 million to continue dual-format distribution. What about this year, 1987; do you have enough money for the balance of this year?

Mr. KENNICKELL. Sir, we feel that we have adequate funding available for this year.

Senator REID. Is there anything in your budget that talks about replacing equipment?

EQUIPMENT REPLACEMENT

Mr. KENNICKELL. Sir, our oversight committee requires us to submit our spending requests to them for items that cost as low as $5,000. Consequently, we send many spending requests up to the Joint Committee on Printing. For example, last summer, we requested approval to replace the four web presses that are used to print the Congressional Record. These are old presses, about 30 years old each. Although they are well maintained, technology has passed them by. We are trying to make some improvements over there.

The total amount of all requests in front of them right now is almost $21 million. This will be funded out of internally generated operating revenues and retained earnings. We hope that there soon will be some movement on these very critical requests that we have in front of the Joint Committee staff.

Senator REID. How old are some of the requests, a month old, 2 months old, 6 months old?

Mr. KENNICKELL. The request for replacement of the web presses dates back to June of last year. In the past, we submitted spending requests to the JCP almost as they occurred. This year I modified this somewhat, and sent to the JCP the entire capital budget for fiscal year 1987 and fiscal year 1988. They have not acted on any of these requests.

Senator REID. Do you know what the reason is? Has anyone told you?

Mr. KENNICKELL. The reason that we have not had any approval on the replacement of the aging web presses is that the then-chairman of the Joint Committee on Printing, Senator Mathias, wrote me a letter on October 14, 1986, indicating that spending approval for those presses would be withheld until certain other unrelated items are dealt with.

Senator REID. Do you know what other items he was speaking of?

Mr. KENNICKELL. In that October 14 letter, we were asked to do a study with the Joint Committee on Printing to determine what new or expanded services we could provide to our congressional customers. That is the crux of the issue.

I do not really see the connection with web presses printing the Congressional Record. With the new presses I could give you a much better product. I could give you a little less expensive product. I could give you a better looking product. And I would be able to do it with less personnel on board, and I would have greater flexibility. But they have decided to link those two issues together.

Senator REID. If the approval were given, how long would it take to replace those web presses, roughly?

Mr. KENNICKELL. Somewhere between 12 and 18 months, depending on the configuration, sir.

BOUND CONGRESSIONAL RECORD

Senator REID. You are currently working on the 1985 Bound Congressional Record; is that right?

Mr. KENNICKELL. That is right, sir.

Senator REID. Explain to us why you are not working on the 1986 Bound Congressional Record, and why is this process so slow?

Mr. KENNICKELL. Sir, historically the Bound Record has been used in GPO as filler work. We never really had what you would say is a dedicated staff assigned to it. Last year, I became very much aware of some of the problems that we are having in completing the Bound Record.

Consequently, I instituted a hard and fast staffing program. I have assigned a supervisor in charge of this. And by this time next year, we will be completely current.

Senator REID. You will have the 1986 edition done at this time next year?

Mr. KENNICKELL. We will be well into producing the 1986 edition at this time next year.

Senator REID. When will you have the 1985 edition completed?

Mr. KENNICKELL. That will be completed this year, sir.

Senator REID. So what you are telling us is that GPO is in better shape now as it relates to the Bound Congressional Record than previously.

Mr. KENNICKELL. Yes, sir; much better shape.

AGENCY PRINTING PLANTS

Senator REID. I know you cannot give an exact figure on this, but I would like an estimate as to the possible savings that could be realized if you were given responsibility for the printing and duplicating currently being done by almost 1,000 separate executive branch printing operations. I think it is 850 or something like that.

Mr. KENNICKELL. Yes, Mr. Chairman; I look forward to providing some of my thoughts along those lines.

Senator REID. Could you do that in writing to the committee as soon as you could?

Mr. KENNICKELL. Yes, sir; I will do that.

Senator REID. That seems to be a way that we can save some money in this budget, maybe not immediately. But in the long run, it seems that it is not good business practice to have 850 separate printing organizations within the Government. That is, in effect, what it is, is that not right?

Mr. KENNICKELL. Yes, sir. There are 850 that we believe are in existence right now, probably with some 9,000 employees.

[The information follows:]

LETTER FROM RALPH E. KENNICKELL, JR.

March 16, 1987

Honorable Harry M. Reid
Senate Committee on Appropriations
Subcommittee on Legislative Branch
U.S. Senate
Washington, D.C. 20510

Dear Senator Reid:

One of the primary responsibilities of a public official is the identification and elimination of duplication of efforts and the waste of taxpayer funds. Since my appointment as Public Printer, I have continued to voice my concern regarding the number and locations of Federal Agency printing and duplicating facilities nationwide. The need for action is apparent in that these Agencies operate about 850 printing and duplicating facilities in the 48 mainland states. Annual expenditures for these operations is in the hundreds of millions of dollars and supports a work force of over 8,000 civilian and military personnel. For the most part, these operations are engaged in routine administrative work that could be commercially purchased at considerable savings.

In 1983, at the request of the Office of Management & Budget (OMB), the Government Printing Office (GPO) drafted a survey resulting in the identification of 1,025 printing and duplicating facilities worldwide. Many facilities were operating in major metropolitan cities in the United States with access to commercial printing sources. It was even found there were some 79 printing and duplicating facilities within the District of Columbia. Recommendations for the closure of some 250 such facilities were provided OMB by the GPO. Appeals and challenges resulted in the actual closure of about 75 operations.

During the present deficit crisis, it is difficult to justify performing work in the Agency plants that can be accomplished by the private sector with greater efficiency. The subject of these plants has been addressed by the Grace Commission and at least two reports have been issued by the General Accounting Office (GAO) calling for closure or reduction in sizes.

The GPO has, in place, a nationwide network of regional printing procurement offices capable of meeting increased Agency printing requirements. We have commercial printing procurement bid lists of more than 13,000 private firms ready and willing to bid competitively for government work. When the GPO issues a commercial printing procurement contract, it results in monies being circulated in that community through space rentals, locally purchased supplies, improved employment levels, increased tax revenues, and opportunity for small businesses to expand their operations. Last year the GPO issued some 311,000 orders for commercial printing resulting in $563 million in business to the private sector printers.

There is no argument that a certain level of conventional ink on paper capabilities is absolutely essential to the national defense and for mobilization purposes. There are also essential intelligence plants that must maintain their capability. However, it is possible to dramatically reduce the total number of these Agency plants without adversely impacting national security.

It is proposed that your office consider appropriate language specifically designed to reduce the Federal Agencies dependence on in-plant printing and duplicating facilities. Furthermore, they should be encouraged to seek their requirements through the competitive printing procurement system already in place.

Sincerely,

RALPH E. KENNICKELL, JR.
Public Printer

BOOKSTORE PROGRAM

Senator REID. It is my further understanding that there is a move to relocate and expand some bookstores. Is this cost effective? Or could it be accomplished better by contracting with retail bookstores nationwide?

Mr. KENNICKELL. In reviewing the Bookstore Program that I inherited, I visited many of the stores. I found them located in Federal buildings and in poor locations in the buildings. In some cases those buildings themselves were not in the better parts of town.

It has been my policy to relocate these stores from these obscure locations into high-traffic retail type locations. In 1985 I was pleased to go to Kansas City and open a store in a mall. That has been very successful for us. We generated an awful lot of excitement with that move. Tremendous revenues have come to us.

Just a couple of months ago, I went to Philadelphia and moved another one from a Federal building to a restored location in the heart of the business district in Philadelphia. We have great expectations for that store, sir.

The Bookstore Program is profitable and I am trying to expand this program ever so slightly. We have identified three cities that are the most promising candidates for opening additional bookstores: one in Oregon, one in Minnesota, and another in Indiana. I hope to be able to have those opened sometime within the next 12 months.

The Bookstore Program is something that Congress feels is important and I feel it is important. If we were to try to contract out the bulk of the Bookstore Program to private-sector book dealers, it is unlikely that they would be willing to carry the range of Government publications that the U.S. Government Bookstores carry. They would probably only be interested in disseminating the ones that they knew could make substantial profits.

If you take away the ones that attract the bulk of the clientele to the GPO Bookstores, then you have cut the heart out of the Bookstore Program. Then I would say that we would end up with 23 very unprofitable bookstores and I would be coming to you asking for an appropriation to support them.

As it is configured now, we have an excellent program. We are advertising the program, and the people seem to truly enjoy it.

Senator REID. Thank you very much.

Senator Grassley?

RATE ESTIMATES

Senator GRASSLEY. I only have one question, because the chairman asked two of the questions I was going to ask. This is just in the way of an explanation, and you may want to correct me if my information is not correct.

I need an explanation of why the estimated unit charges for the Bound Record, the Record Index, and miscellaneous printing and binding have increased, while the estimated unit cost charges for the Congressional Record Program, the Daily Record, and the miscellaneous publications have decreased. What it amounts to, from my standpoint, is it would seem to me, with the increase in automation, that the Government Printing Office would provide more uniform reductions or a more uniform situation there.

Mr. KENNICKELL. Joe, would you care to answer that?

Mr. CANNON. Senator, when we bill Congress for the work we do for them, we bill them the actual costs we incur in doing these particular publications. The rate for the Record Program for the last few years has been fairly consistent. We have only had some slight increases in the cost of that program, mainly due to the technology changes we are making.

However, the decrease this year in the overall Congressional Record Program is due to the reduction in the number of copies that are provided by law. Due to the Gramm-Rudman-Hollings cuts, we have had a decrease in the number of copies of the Congressional Record and that has had an impact on the rates that we charge, the average rate.

Senator GRASSLEY. Let me repeat a little bit. I do not dispute your explanation of why the charges would be such and why something might increase. It would only be that while at other times estimated charges like for the Congressional Record Program, the Daily Record, and other miscellaneous publications have decreased.

Would the increase in automation by the Government Printing Office provide for uniform reductions? Or is there an explanation for the difference? That is what I am seeking. Some go up; some go down.

Mr. CANNON. The Record Program is where we really concentrated on technology changes. We now have an in-line bindery line that has helped reduce the costs there.

In some of the other categories of work, a lot depends on the type of input that we receive. As we get more work coming in on tape, the cost is reduced. If we get work on which we have to typeset the entire manuscript, the cost increases. Cost depends on the type of input that we receive from our customers.

Senator GRASSLEY. Let me give you an example, then, basically of what we are getting to, whether or not the work that you are requested to do for us is not pretty much consistent year to year. These are some examples. I would be comparing 1987 with 1988 for the Congressional Record Program: $491 in 1987, $484 in 1988, so that has gone down.

Mr. CANNON. Yes, sir.

Senator GRASSLEY. Then the Bound Record, you want $106 in 1987 but it is going up to $110 in 1988; the Daily Record, $326 in 1987, down $2 from $328. The next one goes up from $214 to $221, and that is the sort of inconsistency that I see here.

Mr. CANNON. On the Bound Record in fiscal year 1987, we estimated that it was going to have 41,000 pages. For fiscal year 1988, we are estimating only 37,000 pages in the Bound Record, and that has a tendency to raise the average cost per page.

Senator GRASSLEY. We think you are getting to the point in the sense of that is the explanation. The number of units are changed so it has affected the unit cost, right?

Mr. CANNON. Yes, sir.

Senator GRASSLEY. And that would vary from one of those documents to another one?

Mr. CANNON. Yes, sir.

Senator GRASSLEY. Mr. Chairman, I have no other questions except a couple in writing that I will submit.

Senator REID. Mr. Kennickell, if you would remain at the table, we have some other witnesses who are going to render testimony now, and there may be a need for you to respond to some of their inquiries.

NONDEPARTMENTAL WITNESS

STATEMENT OF PHILIP E. VAN DE VOORDE, INFORMATION SERVICE, IOWA STATE UNIVERSITY, REPRESENTING AMERICAN LIBRARY ASSOCIATION

Senator REID. I would call forward now as the third witness today Mr. Philip Van de Voorde, the director of information services at Iowa State University.

Mr. Van de Voorde, I understand you are here today representing the American Library Association; is that right?

Mr. VAN DE VOORDE. Yes, sir.

Senator REID. Please come forward.

Senator GRASSLEY. Mr. Chairman, if I could, I would like to say as a member of the committee from the state of Iowa I am proud to have one of my constituents here. He not only administers a very fine program, but he also represents a very fine university, exampling what some of our people in our state do in contributing to their own profession by serving the very important role that he does in the American Library Association.

Senator REID. Along with Senator Grassley, we welcome you to this committee. We have your statement, and we would ask, without objection, that it be made part of the record. Due to the fact that we have some time constraints, we would ask that you summarize this in representing the American Library Association.

Mr. VAN DE VOORDE. Thank you very much. It is a privilege to be able to be here to talk to you about some very important issues of public access to government information.

SUPPORT FOR PUBLIC PRINTER'S REQUEST

One of the things which I would like to zero in on is our support for the request of the Public Printer for $800,000 for the pilot project to test the feasibility and cost of accessing and supplying federal electronic information to the depository libraries. Our concern that we do this is to keep up with the current developments in information technology. The depository libraries have basically been getting print materials including microfiche as technologies go off into electronic format, which often is much more economical. But the depository system has not had this made a part of it.

What we are hoping will come out of the pilot project is a testing of the cost and the feasibility of this. We have seen many things that we used to get in paper copy that no longer come in paper copy. They are available electronically, but the electronic products are not part of the depository system.

One example that I did give—and I will limit myself to this one example—is the EPA compendium of registered pesticides. We in Iowa are very interested in such things as problems of pesticides. I can tell you that there were some instances subsequent to 1977, when the EPA ceased to provide this, when I had patrons in my library who had difficulty getting at some of this information because it was no longer available on the depository program. There are also, as you might suspect, many other databases of government information which are not a part of the depository program.

ELECTRONIC DATA INFORMATION TO DEPOSITORY LIBRARIES

Now, there are many questions that people ask about the possibility of providing electronic data information to depository libraries. There are questions of what databases, how do we provide them, do libraries have the equipment, do they have the expertise, the ability to handle them.

I do not believe that these are questions that should cause us to state that it is premature for a program. I think these are questions that demonstrate that we do need this pilot project to help answer the questions. If we had the answers already, there would be no need for a pilot project. I believe this would help us see the possibilities and the potential of this type of thing.

There is support for this. The librarians in the state of Iowa have been talking about what we could do with such a thing. For example, we have a statewide network called IOWANET, which is run through the state library. It ties together a lot of the small libraries around the state. Now, if the depository libraries were receiving the government electronic database information, my discussion with the State Librarian John Montag indicates that it would be very feasible for this then to be disseminated out to our smaller libraries in the state. I think this will be a good possibility.

The American Library Association's Government Documents Round Table supports this. The Association of Research Libraries has demonstrated its support for this concept, also, by establishing a special task force to examine it.

DUAL DISTRIBUTION OF HEAVILY USED TITLES

I would like to take a minute or two, also, to express my support as well and the support of the American Library Assocation and the Association of Research Libraries for the concept of dual distribution of the heavily used titles that has been a subject of much controversy.

SUPPORT FOR MICROFICHE PROGRAM

We support the request of the Public Printer for an additional $1.2 million to continue this program. I would like to emphasize and make sure that it is clearly in everybody's mind that the librarians, from the very beginning of the microfiche program, supported it. We were behind it. We were one of the original groups which advocated the establishment of a microfiche program with the Government Printing Office. There are many ways in which this has been very beneficial.

But we believe that it has perhaps gone too far. There are over 60 percent of the materials that are sent to depository libraries which are now provided in microfiche. One of the problems is the difference between the time it would take to get paper versus microfiche.

For example, I checked with one of my colleagues in the state of Iowa, the head of the Government Publications Department, University of Iowa. Since they are a regional depository, I asked them to compare how long it took them to get the paper of the Code of Federal Regulations versus the microfiche. She said that there was a lag time of 6 months plus 2 days between the time the paper came and when the microfiche came for the very same part and title.

Also, there is a question of readability. A lot of things you can read very well with a good microfiche viewer. But some things with small print in footnotes and graphs do not come out well. Many libraries may not be able to afford additional equipment or even any equipment at all for microfiche viewing or storage cabinets.

You might also be interested, Mr. Chairman, that the library at your hometown in Searchlight, Nev.——

Senator REID. This guy is OK. [Laughter.]

Mr. VAN DE VOORDE. We were talking to the librarian there, and they have not been able to acquire microfiche viewing equipment. Even if the Nevada libraries have the microfiche, when they go to transmit by telefacsimile to remote locations such as a small library which is 110 miles from Searchlight, which is the way they fulfill needs out in the hinterlands, a photocopy from the microfiche does not transmit very well at all by telefacsimile. So there are problems in this.

I think I have probably rambled on long enough.

Senator REID. Do we have the checkbook up here?

Senator GRASSLEY. I hope you have heard of New Hartford, Iowa, with a population of 600. [Laughter.]

Mr. VAN DE VOORDE. Yes, sir.

I will be pleased to entertain any questions, if there are any.

[The statement follows:]

STATEMENT OF PHILIP E. VAN DE VOORDE, HEAD, INFORMATION SERVICES DEPARTMENT, IOWA STATE UNIVERSITY LIBRARY

Mr. Chairman, Committee Members, I am Philip Van De Voorde, Head of the Information Services Dept. of the Iowa State University Library. It is a privilege to be here today representing both the American Library Association and the Association of Research Libraries. The American Library Association is a non-profit educational organization of nearly 44,000 librarians, library trustees, and friends of libraries dedicated to the improvement of library and information services for all people. The Association of Research Libraries is also a non-profit educational organization composed of 118 academic and other research libraries. Within ALA I am the chairperson of the Government Documents Round Table. At the Iowa State University Library, a member of A.R.L., I have had the ultimate responsibility for over 20 years to provide needed government information to our patrons.

I would like to support the request made by the Public Printer at the request of the JCP for $800,000 for a pilot project to test the feasibility and cost of distributing federally produced electronic databases to the depository libraries. It is quite obvious that an increasing amount of federal government information is being collected, stored, and distributed in electronic form. For example, a study of the Office of Technology Assessment showed a large increase in the federal agency use of computer equipment between 1980 and 1985. The number of federally owned mainframe central processing units increased from 11,000 to 27,000. The number of mainframe computer terminals increased from 36,000 to 170,000, and the number of microcomputers went up from a few thousand to about 100,000.

There are certain factors causing this large increase in the federal agency use of equipment for the electronic storage, manipulation, and dissemination of information. The use of the Paperwork Reduction Act by the OMB to reduce agency publishing has encouraged the agencies to leave the information which they have collected in electronic form and not to publish it. The Deficit Reduction Act has also discouraged the traditional means of information storage and retrieval and has encouraged the use of new technology.

While the federal agencies have been making greater use of electronic technology, the depository libraries have continued to receive only print formats, including microfiche, from the GPO Library Program Service. This means that there is an increasing segment of federal information which is not a part of the depository library system.

I'll give you some examples. When the Census Bureau was publishing the 1980 censuses of population and housing, the Bureau decided that for budgetary reasons it would greatly decrease the number of subject reports issued. Since I began my career as a documents librarian in 1966, I had experience seeing the usefulness of the subject reports in the 1970 censuses of population and housing. The response of the Census Bureau to questions of availability of the information which we previously received was that it was available on computer tape. This did not help the average depository library which did not have an established ready access to these tapes.

Another example is the EPA Compendium Registered Pesticides, a looseleaf set of seven volumes for which updates were sent to depository libraries until about 1977. The EPA turned over its computer files to Purdue University which has mounted the tapes as part of its National Pesticide Information Retrieval Service. EPA still provides the data which Purdue sells for $60 per hour. In an agricultural state like Iowa we have a strong interest in pesticides. I can remember several patrons after 1977 who had a hard time finding this information because the EPA had ceased to publish this information while continuing to retain it in electronic form.

The process of shifting from paper to electronic form is continuing. The Geological Survey is developing a water storage data system called WATSTORE which includes streamflow, surface water, and ground water data. Though there have been periodic compilations of this data in its Water Supply Papers, one may wonder if budget pressure could cause the electronic access to be the sole source for the data.

The issue is broader than missing some publications which used to come in paper. The intent of section 1902 of title 44 is that all government information which is not classified or for administrative use only and which has public interest or educational value should be made available to the depository libraries. Here are a few illustrations. The National Center for Health Statistics makes over 400 data files available on computer tape, mostly by sale through the National Technical Information Service. Scientists and engineers from the National Bureau of Standards generate tapes which are also sold through NTIS. The Bureau of the Census produces a datafile of very current data called CENDATA which is available through a commercial vendor. The librarians at Iowa State Univeristy Library, who answer over 90,000 questions annually, have noticed increasing instances where the information desired by the patron is only available in federal agency electronic databases, which are not part of the depository library system.

The federal government should continue to pursue the use of electronic means to collect, store, manipulate and disseminate information received by the federal agencies in the course of carrying out their missions. It is highly likely that economies will be realized in the use of this new technology. For example printing and mailing costs would be reduced. Certainly the use of electronic technology will provide greater flexibility and usefulness. One can access, manipulate and combine data in ways which would have been more costly using manual means. Moreover, an Office of Technology Assessment study of innovative state programs in electronic information distribution revealed that information technology can facilitate public access to government information.

There are many unanswered questions about the distribution of this electronic information. Which databases should receive wide distribution? How should we distribute information for specialized audiences? What format should be used, and how frequently should it be distributed? Is there software available to aid public access? Will the use of a wide variety of databases require more equipment than a library can handle? Are the librarians trained to use these databases? If not, how much effort will be required to prepare the librarians to handle this new format? Does size, type, or location of the depository have any affect upon the usefulness of federal electronic information? Will the change from print to electronic federal depository libraries result in a shift of costs from the federal government to the depositories' parent institutions? These questions are not a reason to not fund the pilot projects. In fact they are the very reasons for having a pilot project. If we believe in the importance of informing the citizen of the activities and programs of the federal government and providing him or her with the basic essential information to function in our democratic society, then we need to test the cost and feasibility of distributing federal electronic information to the depository libraries.

The libraries of Iowa are interested in seeing if our state library network, IOWANET, can be used to transmit federal electronic information from some of the larger depository libraries to the smallest library in the state which is part of IOWANET. The Government Documents Round Table of the American Library

Association passed a resolution in January of 1985 endorsing the pilot project. The Association of Research Libraries demonstrated its interest in access to federal electronic information by establishing a task force on government information in electronic format. That task force as well as a parallel committee in the Government Documents Round Table have been advising the JCP Ad Hoc Committee on Depository Library Access to Federal Automated Data Bases.

I would also like to make a few brief remarks supporting the Public Printer's request to take an additional $1.2 million from the Revolving Fund for the additional costs to continue to provide hard copy to the libraries requesting such copy for those titles available in either paper or microfiche (the so-called dual distribution titles). The library community has strongly supported the GPO microfiche program from its beginning. In fact, I believe that we were one of the forces in the late 70's which were urging the adoption of the program. The Depository Library Council has worked with GPO to identify titles which could be appropriately converted into microfiche. When the Superintendent of Documents issued a policy statement (SOD 13, August 21, 1981) on the criteria for converting paper copy to microfiche, the Depository Library Council was in agreement. Now the Superintendent of Documents has suspended that policy and has converted as much as sixty percent of the federal publications to microfiche. We believe that a conversion to microfiche _only_ of the heavily used titles for which there is now a choice would be a disservice to the public. One example is time sensitive material. The regulations issued by the executive branch agencies should be rapidly put into the hands of the citizens. It has been documented by some of the depository librarians that there is a two to six month lag between the paper and microfiche versions of the _Code of Federal Regulations_, one of the dual distribution titles. I asked one of my colleagues at the University of Iowa, which is a regional depository library and thus receives both the paper and microfiche editions of the _Code of Federal Regulations_, to check on the lag between the paper and microfiche editions of the same title and parts. She reported that a sample of 19 yielded an average lag of 6 months and 2 days. The microfiche edition of one title in her original sample of 20 has not yet arrived though the paper copy was shipped on March 27, 1986. Another example is the size of type. The average type size can be read with little difficulty on a good microfiche reader. But some federal government publications have small print in footnotes and exhibits which are very difficult to read in microfiche. This is especially true of some of the congressional hearings received in dual format. Another example is intended audience. Some of our members have noted publications which are designed for popular use which used to come in attractive pamphlets with a little color in it which are now in microfiche. How likely is the man on the street to pick up a piece of microfiche for casual reading? Another example are titles of reference value, which people use frequently for a quick piece of information. Monthly Vital Statistics has now been converted to microfiche. Microfiche presents an added barrier which would discourage one from using it for reference use. I urge that this committee authorize the request of the Superintendent of Documents for $1.2 million additional to continue the hard copy titles requested by the libraries.

In conclusion, I appreciate this opportunity to address you on this important topic of public access to government information. If you have any questions, I'd be pleased to answer them.

ENDORSING RECOMMENDATIONS OF THE AD HOC COMMITTEE ON DEPOSITORY LIBRARY ACCESS TO FEDERAL AUTOMATED DATA BASES

WHEREAS, The Joint Committee on Printing's Ad Hoc Committee on Depository Library to Federal Automated Data Bases has found that much government information is stored only in electronic media and often is less accessible to the public than previously and,

WHEREAS, the Ad Hoc Committee has indicated that as the "cost of traditional ink on paper rises and manipulation of paper documents becomes comparatively more cumbersome, we can expect more Government information to be available only through electronic media," THEREFORE, BE IT

RESOLVED, that the Government Documents Round Table endorse the principle as enunciated by the Ad Hoc Committee, that the Federal Government should provide access to federal information in electronic form through the depository library system and, BE IT FURTHER

RESOLVED, that the Government Documents Round Table support the recommendation of the Ad Hoc Committee that the economic feasibility of providing such access be investigated through pilot projects and, BE IT FURTHER

RESOLVED, that the Government Documents Round Table communicate this resolution to the Joint Committee on Printing, the Public Printer and the ALA Washington office.

Passed by Government Documents Round Table, American Library Association at Midwinter Conference, January 8, 1985

OVERSIGHT FUNCTION

Senator GRASSLEY. I do not have any questions, Mr. Chairman, but I would like to thank my constituent for his fine testimony. I had a chance, even though we just got it today, to read it and study it. It has a lot of good information in it and is something we need to consider from outside the government.

You serve an oversight, so that the services that we think we are providing, are they doing the job that we anticipate they should. You pointed out two or three shortcomings that we need to look at. And we also need to consider the view of the people in government who may feel that there is a different point of view. But at least you have served a very useful purpose by coming here and representing your association in doing that.

I not only want to thank you, as a member of this committee, but also to invite you to stay in touch with me personally as well as the committee on these issues, and others if you want to but at least on these. I understand from staff that in May or June we make subcommittee decisions, and I would appreciate your consideration of responses that we get to the points you bring up.

Mr. VAN DE VOORDE. I will be very pleased to keep in touch.

Senator REID. Senator Grassley, certainly the state of Iowa did a good job today representing the American Library Association. I think it is also worth noting for the Public Printer of the United States that the American Library Association is supporting your $800,000 request for the pilot project to test the feasibility and cost of distributing federally produced electronic databases to depository libraries. I also again note that the American Library Association in this hearing has made a strong statement supporting the Public Printer's request for the additional $1.2 million from the revolving fund to continue the hard copy for libraries requesting such copies for those titles, either paper or microfiche.

So I think that the American Library Association is to be commended for coming here and giving some impetus to the Public Printer of the United States and also pointing out some things that we as the Congress can do and the Public Printer can do to improve our efficiency. Thank you very much.

Mr. VAN DE VOORDE. Thank you.

[The statement of the American Association of Law Libraries follows:]

STATEMENT OF THE AMERICAN ASSOCIATION OF LAW LIBRARIES

The American Association of Law Libraries is a professional organization of over 4,000 members representing most of the approximately 1,100 law libraries in the United States. The AALL is a strong supporter of the Depository Library Program of the Government Printing Office. The importance of the depository program to law libraries and to the legal community cannot be overstated. The judicial, legislative and regulatory publications that are the heart of a law library's permanent, non-depository collection are supported by the documents received through the depository system, just as the depository materials are enhanced by these basic legal materials.

This important relationship between legal materials and official government publications led to Public Law 95-261 (92 Stat. 199), making accredited law school libraries eligible for depository status. Since this 1978 enactment, over 100 law school libraries have become depositories. At present nearly 200 law school libraries and over 50 state court libraries have depository status.

AALL is concerned that the proposed budget for the Superintendent of Documents, which represents a real reduction in expenditures, is based on recent proposals from the Public Printer that would reduce the availability of documents to citizens in general, and to the legal community in particular. We urge the Committee to appropriate sufficient funds to insure the continuation of the depository program without impairing the flow of government information to the public.

The depository program provides an "information safety net" that insures access to government information for members of the public in every Congressional district.

The depository program has proved to be an effective means of placing government information in the hands of citizens efficiently and at relatively low cost. Nearly 1,400 libraries around the country participate in this program mandated by Title 44, Chapter 19 of the U.S. Code. The depository system is available to benefit the public in every Congressional district. This "information safety net" insures free access to laws, regulations, statistics and a wealth of information produced by and about the federal government.

> Recent proposals to save money on the depository program by distributing many of the most important materials only in microform will substantially impair citizen access to government information.

Because the program is so valuable, Association members are concerned about the effect that budget cuts are having on GPO and ultimately on users in libraries around the country. The need for fiscal restraint in all government programs is understandable and AALL is aware that GPO has made cuts in a number of areas. One of the ways money has been saved is by converting paper documents to microfiche for depository distribution. Most documents that can readily be used in microfiche format have already been converted; depository distribution is now over 60% microfiche and still increasing. Nonetheless, seeking still further savings, the Public Printer has proposed in recent months the microfiche-only distribution of major legislative and regulatory documents. The library community responded to this proposal with an outpouring of letters and telephone calls citing the hardships that further conversion to microfiche would impose on providing effective service to their users.

In making his proposal, the Public Printer selected material distributed both in paper and microfiche. In doing so he targeted some of the most important titles in the program, including the Congressional Record and the Code of Federal Regulations as well as Congressional hearings and reports. Dual distribution for these materials was developed as a method of cutting GPO costs while allowing libraries to select formats based on their users' needs and space considerations. Everyone has benefited from dual distribution. It has been endorsed by libraries with the understanding that microfiche-only distribution is unacceptable for these important titles.

Depository librarians recognize that microfiche is a useful format for many government publications. Microfiche offers space savings that permit many depositories to select titles they could not house if only available in paper. But it is not an appropriate format for all publications.

Recognizing this, the Superintendent of Documents issued a policy statement, SOD 13 on August 22, 1983, listing criteria to govern conversion of documents to microfiche. Factors included physical characteristics (color, type size, publication size), timeliness (regulations, news releases), intended audience, reference value and historical significance of the publications. In proposing the wholesale conversion of all dual format materials, the Public Printer has abandoned this reasonable approach, and appears to be making decisions based on expedience rather than the needs of documents users. With over 60% of depository documents distributed in microfiche, the American Association of Law Libraries believes that the limits of useful conversion to microfiche distribution have been reached, and we object to the recent departure from the conversion guidelines. Further microfiche distribution threatens the heart of the depository program. It will result in greatly reduced access for users in law libraries and depositories to all types of key documents; documents that should be available in paper because they are time-sensitive or have formats that make microfiche copies difficult to use.

Substantial cost savings can probably be realized through the conversion of appropriate materials to electronic formats, and the American Association of Law Libraries supports the efforts to experiment with the electronic distribution of government data.

Perhaps the dual goals of controlling costs and delivering information in a timely and usable fashion can be better achieved by providing some publications in electronic format. Our Association enthusiastically endorses the work of the Ad Hoc Committee on Depository Library Access to Federal Automated Data Bases. This group, authorized in May of 1983 by the Joint Committee on Printing, includes representatives from 15 organizations, among them the AALL. Sixteen federal agencies have submitted proposals to the Ad Hoc Committee for a wide range of pilot projects to test the feasibility of providing depository access to information available through emerging technologies. We strongly support funding for selected pilot projects. Careful planning and testing today will ensure future effective public access to government information.

The American Association of Law Libraries urges the members of your committee to appropriate funds for GPO in FY 1988 sufficient to fully support the depository program, consistent with its statutory mission.

Laura N. Gasaway
President
March 16, 1987

SUBMITTED QUESTIONS

[The following questions were not asked at the hearing but were submitted to the Government Printing Office for response for the record:]

QUESTIONS SUBMITTED BY SENATOR BUMPERS

Question. The budget request for the Government Printing Office (GPO) for fiscal year 1988 requests that the two accounts, "Congressional Printing and Binding" and "Printing and Binding", be merged into one account. Why is that request made?

Response. We are proposing to combine the Congressional Printing and Binding Appropriation and the Printing and Binding Appropriation into a single appropriation in an effort to reduce administrative overhead costs. The publications involved are basically the same under each appropriation, the distinction being that by-law recipients, other than Congress, have their copies charged to the Printing and Binding Appropriation. This requires GPO to maintain duplicate accounting, billing, and budget records for the same publications. The Congressional Record accounts for over 90 percent of the Printing and Binding Appropriation for 1987.

Question. What is the last Bound Congressional Record produced? What is the reason for the delay in producing these volumes?

Response. The last Bound Record completely distributed was for the 96th Congress 2d Session (1980). The present status of the incomplete Bound Congressional Record work is as follows:

> The 1981 Bound Record has been completed and delivered with the exception of the Index which we hope to complete in the very near future.
>
> The 1982 Bound Record has been completed with the exception of one volume, which will be completed within the next few weeks, and the Index.
>
> Ten volumes of the 1985 Bound Record have been delivered. The remaining volumes are in various stages of the production process and will be completed in three or four months. The Index has not been started.
>
> The 1983, 1984, and 1986 Bound Records are in the Electronic Photocomposition production process. It is anticipated that all prepress work on these Bound Records will be completed by the end of 1987. The estimated final completion of the printing, binding, and delivery of these three years' Bound Records, excluding the Indexes, is about the middle of 1988.

The reason for the delay in producing the Bound Congressional Records is that traditionally they have not been considered as rush work at GPO. The work has been produced only on the day shift. As can be seen in the above status report, the only significant work left on the 1981 and 1982 Bound Records is the Index. Beginning with the 1983 Bound Record, we are anticipating the successful implementation of an automated Index, but for 1981 and 1982, we are dependent on the Congressional Record Indexers to manually prepare the Index.

Also, in order to become more current with the Bound Records we have assigned a project supervisor with the responsibility of coordinating and monitoring all processing of the Bound Records throughout the prepress activities on all shifts.

Question. How many daily Congressional Records are produced, and who receives them? At what cost?

Response. Distribution of the daily Congressional Record is as follows:

Comparison of Authorized to Actual Distribution and Payment
of the Daily Congressional Record
(As of April 7, 1987)

Recipient and number authorized:	Number of copies
Bylaw copies paid for by the Congressional Printing and Binding and by Printing and Binding Appropriations: 1/	
House Members, 2 each (880)	680
Senators and Vice President, 2 each (202)	202
Congressional committees, JCP requisition and bylaw	2,283
House constituents, 25 per Member (11,000)	7,807
Senate constituents, 37 per Senator (3,700)	3,158
Ex-Members of Congress, 1 each	184
Correspondents, 1 each	202
Government Printing Office, 75	32
Independent Agencies, 2 each	40
Government Agencies, various	174
Judges, 1 each	36
Subtotal	14,798
	======
Copies paid for by others:	
Depository Libraries, as requested (1,394)	934
Government Agencies, by requisition	2,789
Superintendent of Documents, by requisition	3,088
Subtotal	6,811
	======
Total	21,609
	======

1/ The by-law distribution has been combined in accordance with our request for a combined Congressional Printing and Binding Appropriation.

The following table shows the cost of these copies by major source of funding:

SCHEDULE OF ESTIMATED DAILY CONGRESSIONAL RECORD COSTS
[Dollars in thousands]

Source of funds	Fiscal year--		
	1986	1987	1988
CP&B Appropriations..................	$13,890	$12,078	$11,988
Depository Library Program...........	152	115	115
Sales Program........................	508	380	380
Government Agencies..................	436	343	343
Total, Daily Congressional Record..	$14,986	$12,916	$12,826

Question. Please outline the benefits of the sales marketing program. Are such promotions cost-effective?

Response. The sales marketing program of GPO's Superintendent of Documents has significantly increased public awareness of and access to Government information. By developing and implementing an innovative marketing plan inspired by contemporary practices in the private sector, GPO has been able to adapt the latest marketing concepts to the requirements of Government publications dissemination.

To insure the cost-effectiveness of GPO's marketing program as a whole, each marketing promotion is subjected to a detailed payback analysis before any funds are expended. If the promotion being analyzed is deemed incapable of recovering costs, it is dropped from further consideration.

One of the first developments in GPO's sales marketing effort was the reformatting of the existing catalog marketing system. In 1982, the money-losing Selected U.S. Government Publications was replaced by two new publications: U.S. Government Books, an annotated and illustrated catalog of almost 1,000 new and popular sales titles, and New Books, an unannotated bimonthly listing of all new titles entering the sales program in the two months preceding each issue. To date, more than 3 million copies of U.S. Government Books and more than 2 million copies of New Books have been distributed.

To facilitate the cost-effective dissemination of the U.S. Government Books catalog, a series of 9 television and 15 radio public service announcements (PSA's) were produced and distributed to radio and television stations across the country. It is estimated that approximately $6 million in free air time has been donated by the broadcast media, generating almost 2 million requests for the catalog. We also developed a print media PSA series to promote the catalog. Fifteen thousand sets made up of 17 print PSA's each were distributed to newspapers and magazines across the country. It is estimated that more than $1 million in free ad space has been donated by the print media. We are now distributing a new series of broadcast PSA's and expect to complete a new series of print PSA's later this year.

The Product Publicity Release (PPR) program, which informs professional and technical publications and associations about new Government publications, is another cost-effective means of promoting sales. About 100 releases a year are written and distributed to an average of 200 media outlets each. An outgrowth of the PPR program is the "We're Glad You Asked" program of replies to reader response ("bingo") cards. Each reply includes additional information about the publication in question, as well as an order blank.

A targeted direct mail marketing program has been conducted since November 1982. This program is designed to create awareness of and generate orders for products of interest to business and professional audiences. By pursuing a consistent pattern of repeated testing and rollout mailings of the most successful promotions to the best mailing lists, we have been able to establish an ongoing business-to-business direct mail program on a sound cost-recovery basis.

A major component of this direct mail marketing program is the "Books for Professionals" series of flyers designed for specific target audiences in such areas as exporting, education, medical research, and construction. In fiscal year 1986, a total of 396,000 of these flyers were produced and distributed.

In FY 86, the direct mail program was expanded to include promotional packages especially designed to announce the availability of either one publication or subscription service or a small group of publications and/or subscriptions. A total of 113,350 of these packages were produced. We also work closely with Federal publishing agencies to foster agency-sponsored promotions. Such promotions include second renewal notices for subscription services, as well as a variety of cooperative promotional efforts. These efforts include flyer and envelope mailings for publications and subscriptions already in the Sales Program, as well as promotional pieces designed to convert previously free items to paid distribution.

GPO also conducts frequent meetings and maintains other contacts with agency publishing officials. These meetings and contacts permit us to provide advice, evaluate promotional efforts, plan new cooperative campaigns, and share experiences in using various marketing techniques.

Our Priority Announcement system notifies Sales Program customers and prospects of new and updated publications in their particular areas of interest. In fiscal year 1986, the system's first full year of operation, Marketing produced 125 individual Priority Announcements and distributed a total of more than 200,000 to the appropriate mailing lists, eliminated duplicate addresses on 21 lists, and increased the number of prospects on five lists.

We have also worked to increase public awareness of GPO bookstores by developing appropriate marketing materials, including promotional bookmarks and locator cards for individual stores, a monthly newsletter for bookstore managers that shares marketing news and techniques with all bookstores, a monthly list of the top 10 best-selling Government books, and gift books flyers aimed at holiday bookbuyers. Marketing has also developed radio scripts tailored to local bookstore markets and distributed them to approximately four radio stations per bookstore city.

Other efforts include the development of a "U.S. Government Bookstore" logotype, signage, newly-designed shopping bags, and promotional posters. GPO Bookstore sales revenue increased by 21 percent last year, while commercial booksellers suffered a 5 percent decline according to the American Booksellers Association.

To gauge the specific marketing support needs of each bookstore, staff members carry out regular visits. We are also actively involved in surveying possible new sites for bookstores being considered for relocation, as well as sites for new bookstores.

In addition to our direct mail and bookstore operations, we work closely with GSA's Consumer Information Center to maximize the distribution of consumer-oriented sales publications. A special Low-Priced Publications Program permits us to offer publications of interest to the American consumer at a special low price through CIC's Consumer Information Catalog. In fiscal year 1986, orders stemming from this program increased by 76.2 percent from the previous year. Recently, CIC agreed to list our U.S. Government Books catalog as a free item in future CIC catalogs, further illustrating the value of interagency cooperation in Federal information dissemination efforts.

GPO also attends and exhibits Government books at professional meetings, conferences, and conventions and distributes appropriate order forms, booklists, and catalogs. To facilitate cooperation with publishing agencies, we produce and distribute a marketing newsletter to several hundred agency publishing officials. We also work with Congressional offices in Washington, D.C. and around the country to disseminate information about the Sales Program.

As we move into its sixth year of operation, we can look back upon a significant record of achievement in these pioneering efforts to introduce modern marketing methods to the Federal Government while pursuing GPO's mission of increasing public awareness of and access to Government information.

Question. What bookstores have been relocated? Has this program increased your space rental expense?

Response. Location, as always, will be a key determinant of the bookstores success in fiscal year 1988. So far in fiscal year 1987, the Philadelphia bookstore has been relocated and plans to relocate the Birmingham, Houston, and Farragut West bookstores are in progress. Relocation efforts for the bookstores in Chicago, Denver, Pittsburgh, and San Francisco are currently planned for fiscal year 1988.

The Philadelphia bookstore annual space rental costs increased by approximately $20,000. However, the cost varies from city to city. There will most likely be an increase in the space rental costs of the future relocated bookstores, but it is not known at this time how much of an increase there will be. This uncertainty stems from the fact that the planned relocations have not reached the point where the space rental costs of the new locations are known. However, it is reasonable to assume that these costs will rise somewhat, since the object of the relocations is to place these bookstores in more desirable locations.

Question. How much printing and binding is done in-house and how much is contracted out?

Response. In fiscal year 1986, 75.2 percent of total GPO printing and binding was commercially procured.

Question. What is the purpose of the multi-purpose facility proposed in the fiscal year 1988 request? What is the total estimated cost of this facility?

Response. The proposed facility is a prudent action to extend the life of the main GPO complex, provide for consolidation efficiencies and operational flexibilities. It is well known and documented that our present facilities do not efficiently provide for the incorporation of contemporary in-line printing and materials handling technologies. Over the past 30 years, two serious attempts to improve GPO facilities have been made without success. It is our belief that without some relief within the next few years, GPO could be faced with crisis management decisions.

Conceptual plans have been developed to construct an addition to the present GPO complex on North Capitol Street. This addition would be built behind the present structures and border on H Street to the north, G Street to the south, and New Jersey Avenue to the west.

Currently the project has an estimated cost of less than $60 million. The new facility would contain two levels of parking to accommodate spaces required for employees; one level would contain consolidated shipping and storage of paper products; one level would contain multi-purpose, light industrial and office space for consolidation from presently leased facilities.

The $500,000 included in the budget request would cover such items as a feasibility study, environmental impact statement and GSA support costs. Once these funds are available and the above actions completed, necessary approvals of appropriate parties will be obtained. Subsequent funding will then be requested.

Question. A request of $800,000 is included for initial planning and start-up costs associated with a pilot project to demonstrate the electronic distribution of Government documents. What is the total cost of this project, and how many demonstrations will be done?

Response. The Ad Hoc Committee on Depository Library Access to Federal Automated Data Bases (Ad Hoc Committee) was appointed by the Joint Committee on Printing in May 1983, to evaluate the feasibility and desirability of providing depository libraries with electronic access to Federal Government information. The work of the Ad Hoc Committee proceeded through the end of 1986, culminating with a proposal for several pilot projects to be run over a five-year period. During the first year, a permanent task force of three to five persons would be set up in GPO to plan and start up the pilot projects. After three years of operation in a test mode, the final year would be devoted to an evaluation of the pilot projects and the preparation of a long range plan. At this time, the preliminary cost estimate of the pilot project is a total of about $5.5 million over a five-year period.

In their draft report of January 14, 1987, the Ad Hoc Committee provided the following estimate of the number of pilot demonstrations:

> "Selection of libraries should assure that various geographic areas of the country are represented. The reasonable way to do that seems to be to assure that one library from each of the Congressional districts will be included in at least one of the pilots over the three year period."

Question. What is the intended result of these demonstrations? Will libraries then be able to receive documents electronically thus saving the cost of printing and sending them hard copy?

Response. The intended result of the pilot demonstrations was expressed in the January 13, 1987, report of the Technical Subcommittee of the Ad Hoc Committee:

> "The Committee unanimously supports the principle that the Federal Government should provide access to Federal information, as defined in sec. 1901, U.S.C., Title 44, in electronic form through the depository library

> system. Recognizing that it is technically feasible to provide such access to electronic information, the Committee recommends that the economic feasibility be investigated through pilot projects."

No cost-benefit study was conducted by the Ad Hoc Committee relative to the costs of hard copy versus electronic information for depository libraries. In a December 1984, report to the JCP titled "Provision of Federal Government Publications in Electronic Format to Depository Libraries", (S.R. 98-260), the Ad Hoc Committee stated:

> "A detailed cost-benefit study was beyond the resources of the Ad Hoc Committee. However, inferences may be drawn that the cost of distribution of the larger publications in electronic format rather than paper copy would save substantial annual printing and postage charges, but would entail other costs. Smaller publications, that do not include graphics, might provide more immediate savings."

Question. Does the technology currently exist to transmit this material electronically? Does GPO currently have the necessary equipment to perform this task? What about libraries, do they currently have the necessary equipment to receive the material in this form?

Response. The Ad Hoc Committee has reported to the JCP that it is technically feasible to provide library access to electronic information. Currently, there are some limitations on equipment and other resources within GPO regarding this task. The ability of GPO to support these efforts depends upon the number and extent of the pilot projects, as well as the level of appropriated resources to be made available for this purpose.

With regard to the libraries capabilities in this area, the Ad Hoc Committee conducted a survey of all depository libraries in 1984 to determine their current use of electronic hardware and computerized data bases, as well as their participation in local/regional/national networks providing access to this type of information. According to the survey results approximately 63 percent of the total number of libraries used or planed to purchase an in-house computer for a library system. Also, approximately 81 percent of the total number of libraries had a terminal(s) to access IN-HOUSE (institutional) or OUT-OF-HOUSE (non-institutional) data bases for research, cataloging, etc., and a substantial number of these libraries were buying commercial access to numerous Federal information data bases.

Question. Do private firms now provide these types of services? If so, has thought been given to contracting for such services? What would be the cost, if any, of allowing private enterprises to undertake this project?

Response. Included in the Ad Hoc Committee's 1984 survey of depository libraries was a question about depository library access to Government information in electronic format. The survey returns showed that substantial numbers of depository libraries are already buying commercial access to more than 50 Federal information bases. Not only are private firms now offering libraries access to major Federal information bases, they are also likely to be interested in developing new products and services in support of the proposed pilot projects. While the costs of providing commercial access to Federal information bases are readily available from individual vendors, the feasibility and cost effectiveness of utilizing commercial sources in the pilot projects will have to be determined through research and analysis by the proposed task force that would be funded by the $800,000 appropriation request.

QUESTIONS SUBMITTED ON BEHALF OF SENATOR PETE V. DOMENICI IN HEARINGS BEFORE THE SUBCOMMITTEES OF THE SENATE APPROPRIATIONS COMMITTEE

BIENNIAL BUDGET CYCLE

Calls for budget reform are increasingly heard as budget deadlines are too often missed, important budget decisions are delayed, appropriation bills and other direct spending legislation are held up in committee, and omnibus spending bills take the place of timely and orderly consideration of individual bills. One procedural reform that is being considered is the two-year budget cycle where budget and appropriations matters would be considered in the first year and authorizations and oversight would be undertaken in the second year.

Question. Would your department/agency favor a biennial budget process? What benefits would your agency achieve in a two-year appropriation cycle?

Response. GPO would favor a biennial budget process. The frequency of threatened and actual funding hiatus's probably would be reduced, at least in the second year. Projects which take more than 12 months to plan and execute would be facilitated by reducing uncertainty regarding continued funding.

Question. Approximately what proportion of your annual appropriation request would you consider simply repetitious of the previous year's submission?

Response. About 95 percent of GPO's annual appropriations requests could be considered repetitious of the previous year's submission. This estimate would exclude changes due to mandatory pay and related costs and price level changes, but would include program-type changes such as workload volume.

Question. What difficulties can you foresee in preparing and submitting a two-year budget to the Congress?

Response. It would be more difficult to submit accurate two-year budget estimates because forecasts of significant factors, such as program requirements and price level changes would be made farther into the future. It is necessary for GPO to respond to workload demands which are largely beyond our control. There would tend to be an increase in the number and size of supplementals for the second year due to the greater estimating error, unanticipated developments, and the second-year impact of certain current-year actions, such as enacted pay raises.

Question. Would you expect to realize any budget savings if you could plan your agency budget on a two-year basis? If so, could you estimate how much?

Response. There could be significant savings to GPO as a result of the longer planning horizon if appropriations require major adjustments to agency plans and operations, which usually can not be accomplished efficiently on short notice. Due to the uncertainty of predicting such Congressional actions, future savings of this nature can not be estimated. There would be some administrative cost savings in the second year of a biennial budget cycle, perhaps amounting to several thousand hours of staff time, because the agency would have already presented and justified its appropriations estimates during the previous year. Also, there would be a significant cost avoidance to GPO if a funding hiatus and agency shut-down were prevented by the proposed reform.

CONGRESSIONAL BUDGET OFFICE

STATEMENT OF EDWARD M. GRAMLICH, ACTING DIRECTOR, CONGRESSIONAL BUDGET OFFICE

OPENING REMARKS

Senator REID. Our final witness today will be the Acting Director of the Congressional Budget Office, Mr. Edward M. Gramlich.

We understand, Mr. Gramlich, that you are filling the shoes of Rudy Penner, who has gone to other endeavors. We welcome you here today and recognize that Mr. Penner, in one of his last official jobs, testified before this full committee. I believe it was last week.

We do have a copy of your statement. Your complete statement will be made part of the record, and we would ask at this time that you summarize your statement for the committee.

Mr. GRAMLICH. Thank you very much, Mr. Chairman. I have been in office 4 days now, so there may be some questions on certain aspects of CBO's budget that I cannot answer. We have already submitted a summary of the statement, and I am going to summarize that because I realize the hour is getting late.

BUDGET REQUEST

This year, we have sought to keep our budget increases to the absolute minimum necessary to perform adequately the tasks assigned us by the Congress. By carefully keeping track of costs and through gains and productivity from automation, we have been able to achieve significant economies in these times of fiscal restraint, something the CBO knows about more than most other agencies.

This year's budget request seeks to maintain that same level of fiscal responsibility. Indeed, we are requesting virtually no increase in our budget at all except for items mandated by new laws. These mandated outlays are, however, quite substantial.

For fiscal year 1988, CBO is requesting $18,988,000, an increase of 5.9 percent over our estimated fiscal year 1987 operating level. Over half of the total increase, $589,000, is to cover added costs of the new federal employees retirement system. CBO must also make a net expenditure of $277,000 for a new telecommunications system, something that you also talked about with the other agencies, again as required by the actions of the Congress.

These two mandated expenditures add to $866,000, nearly 82 percent of the agency's requested increase. The discretionary spending increase that we have requested amounts to just $192,000, an increase of just 1 percent over the fiscal year 1987 level, far less than our estimate of the rate of inflation for this period. We are not, moreover, requesting any added positions.

In the summary statement and also in the full statement, we go through some of the detail on both the mandatory and the discretionary increases. I would be happy to answer questions on that, but since the hour is late, I see no reason to read it. I will submit it for the record.

[The statement follows:]

STATEMENT OF EDWARD M. GRAMLICH, ACTING DIRECTOR, CONGRESSIONAL BUDGET OFFICE

Mr. Chairm~~an and~~ Members of the Subcommittee, I am pleased to present the fiscal year 1988 budget request for the Congressional Budget Office (CBO). As you know, CBO is a nonpartisan analytic organization that furnishes the Congress with information and analyses on issues relating to the U. S. economy, the federal budget, and federal programs. The CBO does not make policy recommendations, but presents the Congress with options and their possible budgetary and economic consequences.

Since being appointed Director of the Congressional Budget Office, I have sought to keep our budget increases to the minimum necessary to perform adequately the tasks assigned us by the Congress. By carefully keeping track of costs, and through gains in productivity from automation, we have been able to achieve significant economies in these times of fiscal restraint. This year's budget request seeks to maintain that same level of fiscal responsibility. Indeed, we are requesting virtually no increase in our budget at all except for items mandated by new laws. Those mandated outlays are, however, quite substantial.

BUDGET REQUEST

For fiscal year 1988, CBO is requesting $18,988,000, an increase of 5.9 percent (or $1,058,000) over our estimated fiscal year 1987 operating level of $17,930,000.

Over half of the total increase, $589,000, is to cover additional costs of the new Federal Employees Retirement System (FERS). CBO must also make a net expenditure of $277,000 for a new telecommunications system, as required by actions by the Congress.

These mandated expenditures add to $866,000, or nearly 82 percent of the agency's requested increase. The discretionary spending increase that we have requested amounts to just $192,000, an increase of but 1 percent over the fiscal year 1987 level, far less than CBO's estimate of inflation for the fiscal year 1988 period. Moreover, we are not requesting additional positions.

Before discussing our request in detail, I would like to review for the Committee the principal services the CBO provided the Congress this past fiscal year.

NEW CBO SERVICES TO THE CONGRESS

Fiscal year 1986 was the first year the Congress and the Congressional Budget Office operated under the provisions of the Balanced Budget and Emergency Deficit Control Act of 1985. The Balanced Budget Act is intended to balance the budget by 1991 by reducing the annual deficit in $36 billion dollar increments. The act called for automatic across-the-board cuts in most federal programs if the Congress failed to meet annual deficit targets through legislative action. Although the Supreme Court declared last July that the automatic cutting provision of the law was unconstitutional, the annual deficit targets and other provisions of the law remain in force.

The Balanced Budget Act assigns numerous new tasks to the CBO. First and foremost among them is the Sequestration Report. This report is jointly prepared by the CBO with the Office of Management and Budget (OMB) of the Executive Branch. As required by law, this joint report:

- Estimates budget base levels, including the amount by which the projected deficit exceeds the maximum deficit amount for the fiscal year;
- Provides OMB and CBO economic assumptions, including the estimated rate of real economic growth; and
- Calculates the amounts and percentages by which various budgetary resources must be sequestered in order to eliminate any deficit excess.

The CBO prepared a detailed Sequestration Report a year ago and a second one last August for fiscal year 1987. We will prepare another detailed Sequestration Report this coming August for fiscal year 1988, as the Supreme Court's decision of last year had no bearing on the work the law assigns us.

Preparing the Sequestration Report is a major undertaking. CBO analysts review over 1,000 budget accounts and apply cuts in hundreds of them to complete it. In addition, the report must be prepared for publication in the Federal Register, all within a five-day deadline.

Despite the imposing time constraints, CBO staff performed their duties with distinction. I cite this to underscore how proud I am of the work of the CBO staff, in this and all of our other endeavors.

In addition to the Sequestration Report, the Balanced Budget Act gives the Director of the CBO responsibility for alerting the Congress to a recession or downturn in the economy that might warrant the suspension of the deficit targets. I did not see the need to make such a report in 1986 and our current economic forecast does not envision a recession in the foreseeable future.

Finally, the Balanced Budget Act requires CBO to provide the Congress with a report on unauthorized appropriations and expiring authorizations. For the most part, this consists of information the CBO has been collecting and providing on request to the House and Senate Budget Committees. We now file this report with the Congress by January 15 of each year. A copy of our latest report is included in Appendix B.

CURRENT CBO SERVICES TO THE CONGRESS

The Congressional Budget Act of 1974, as amended, mandates that CBO prepare certain reports on a regular basis and undertake other studies in response to Congressional requests. Specifically, CBO carries out the following tasks: maintains current tabulations of Congressional revenue and spending actions (scorekeeping); prepares five-year cost estimates for bills reported by authorizing committees; prepares outlay estimates for bills providing new budget authority; supplies tax expenditure and revenue information; reports annually projections of new budget authority, outlays, and revenues for the coming five fiscal years; estimates the cost to state and local governments of carrying out or complying with federal legislation; prepares periodic forecasts of economic trends and alternative fiscal policies; and analyzes issues that affect the federal budget. The scorekeeping unit of CBO provides the Congress with up-to-date tabulations of Congressional actions on revenue and spending bills. These tabulations are used, particularly by the Budget and Appropriations Committees, to measure the status of Congressional budget actions relative to the targets or limits specified in the concurrent resolutions on the budget.

The bulk of CBO scorekeeping activities involves spending actions. The spending side of the federal budget is complex, consisting of more than 1,000 separate accounts. Furthermore, the Congress acts each year on a large number of individual legislative bills that affect spending, including 13 appropriation bills. CBO's scorekeeping system keeps track of Congressional action on all these bills from the time they are reported from committee to the time when they are enacted into law. As a result, the CBO scorekeeping data base for budget authority and outlays is very complex and keeping it current represents a major effort. CBO scorekeeping estimates are derived from its analysis of the President's budget, baseline budget projections, and bill cost estimates, as well as from the economic assumptions used for the concurrent budget resolution. CBO reviews its scorekeeping estimates on a comprehensive basis at least twice a year to incorporate new information provided by the Office of Management and Budget (OMB) and other federal agencies, as well as revised economic assumptions that may be adopted by the Budget Committees, and other relevant data. Specially designed computer scorekeeping reports are provided weekly, and sometimes daily, to the Budget and Appropriations Committees. Frequent letters are also sent to the Chairmen of the two Budget Committees to advise them on current budgetary levels. Advisory letters also have been sent on request to the Chairman of the House Appropriations Committee concerning the budgetary impact of individual appropriation actions, such as a supplemental appropriation bill or a continuing resolution. The CBO automated scorekeeping data base also is used to provide special computer reports to the Appropriations Committees for use in preparing their February 25 reports, and in dividing budget resolution allocations among subcommittees.

The CBO also prepares a weekly automated report on the legislative status of selected entitlement and other bills that would directly affect budgetary requirements. Similar reports provide information on the legislative status of bills affecting credit activities, bills providing required authorizations for requested appropriations, and proposed revisions of the Budget Act. Copies of these reports are provided to the staffs of the Appropriations and Budget Committees of both Houses. These automated reports originate from a request by the House Appropriations Committee. In addition, CBO has developed a scorekeeping capability for tracking Congressional action on the federal credit budget. This separate, automated data system is used primarily by the two Budget Committees.

Baseline Budget Projections

Each year, CBO prepares a new set of baseline budget projections. The projections take as their starting point the budgetary decisions made by the

Congress through its most recently completed session and show what would happen to the budget if no new policy decisions were made during the next five fiscal years. These projections do not represent a forecast of future budgets, because the Congress undoubtedly will make numerous new policy decisions in response to changing national needs and economic circumstances. They do provide, however, a useful baseline or benchmark against which proposed changes in taxes or spending policies may be measured and assessed. A longer-term framework is helpful in making annual budget choices. These annual budget decisions sometimes have little impact on the budget in the short run, although they can significantly influence relative budget priorities over a period of several years. Because the annual budget resolution now includes a credit budget component, the CBO also prepares to develop baseline budget projections for federal credit activities.

CBO's budget projections capability has enabled the Congress to move more and more in the direction of multiyear budgeting. For example, for several years both Budget Committees have used the CBO baseline budget projections as a starting point for formulating their recommendations for the annual budget resolution. The CBO baseline spending projections are distributed to the Appropriations Committees and the authorizing committees as background information for preparing their "views and estimates" reports to the Budget Committees, now required by February 25. The Budget Committees then use the CBO baseline projections in their budget resolution markup materials to assess how spending and revenues should be altered in the future to meet fiscal policy goals and national needs. Both Budget Committees include three-year targets in their recommended budget resolutions.

The CBO budget projections took on added importance in 1981 when they served as the baseline for computing the spending reductions to be achieved in the budget reconciliation process. They have served this purpose for every reconciliation bill since. Moreover, CBO has made similar use of baseline budget projections in its bill cost estimates for calculating the costs or savings that would result from legislative proposals to change existing law. This information is particularly important for calculating the budgetary effects of changes in various entitlement programs. The growing use of budget projections requires CBO to maintain a large multiyear data base on a year-round basis. CBO now provides both Budget Committees with numerous sets of five-year projections of revenues and spending throughout the year, usually in the form of computer tabulations. In addition, CBO publishes a five-year budget projections report at the beginning of each session of Congress and updates it each August.

Analysis of the President's Budget

The Congressional Budget Office carefully reviews the budget estimates that the Administration submits to the Congress. These reviews evaluate the Administration's budget estimates and, where necessary and appropriate, reestimate the Administration's budget estimates using different economic assumptions and CBO's estimating techniques and methods. The economic assumptions used by the Budget Committees to formulate the annual budget resolutions usually are different from the assumptions the Administration uses in preparing the President's budget. A different set of economic assumptions may significantly alter the budgetary impact of the President's proposals. Both Budget Committees periodically ask CBO to reestimate the President's budget using different economic assumptions.

CBO has an independent capability for estimating the impact on budget outlays of various budget proposals. To keep these techniques and methods as accurate as possible, CBO staff members carefully monitor actual spending trends as reported monthly by the Treasury and various data series that show trends in the use of federal benefits and services, the growth in beneficiary populations, and other factors affecting federal spending. The CBO uses these independent methods to reestimate the effect of the President's budgetary proposals. In recent years, these so-called "technical reestimates" have been significant.

In addition to reviewing carefully the Administration's budget estimates, each year CBO prepares an overview analysis of the President's budgetary proposals. This publication is requested annually by the Senate Committee on Appropriations to assist Members and staff in preparing for overview hearings on the Administration's annual budget. The report discusses the economic outlook for the next several years and the possible economic impact of the President's proposals. It also presents CBO's reestimates of the budget impact of these proposals based on alternative economic assumptions and on CBO's estimating techniques and methods.

Bill Cost Estimates

The CBO prepares cost estimates for virtually every public bill reported by legislative committees in the House and Senate that would have a budget impact. CBO also prepares numerous cost estimates at committee request for use in earlier stages of the legislative process. CBO's bill cost estimates have become an integral part of the legislative process. Committees refer to them increasingly at every stage of bill drafting; indeed they are having an impact on the final outcome of legislation. The number of such bill cost estimates prepared each year varies, depending on the amount of legislation being considered and reported by legislative committees. For 1986, the number of individual cost estimates was 667, as shown in Table 1.

A large part of CBO's bill costing activity in 1986 was for the House and Senate Committees receiving reconciliation instructions on the budget resolution for fiscal 1987. When combined with corresponding work on reconciliation proposals in 1981-1985, these efforts are equivalent to several

TABLE 1. BILL COST ESTIMATES (Formal and informal)

	1980	1981	1982	1983	1984	1985	1986
Federal Estimates	861	553	747	676	687	601	667
State and Local Estimates	n.a.	n.a.	4	573	641	533	588

NOTE: n.a. = not applicable.

hundred bill cost estimates. Because CBO's bill cost estimate tracking system has treated work on all the reconciliation proposals as if they were a few large bills, this workload is not reflected fully in the figures shown in Table 1 for 1981-1986.

In addition to cost estimates for bills reported by legislative committees, CBO also provides the Appropriations Committees with outlay estimates for all appropriation bills. These outlay estimates are prepared for each appropriation account and are transmitted to the staffs of the committees largely in the form of computer tabulations. For example, many reports display both budget authority and outlay data in the Comparative Statement of Budget Authority (CSBA) formats used by the Appropriations Committees.

State and Local Government Cost Estimates

The State and Local Government Cost Estimate Act (Public Law 97-108) enacted in late 1981 expanded CBO's bill costing responsibilities by requiring estimates of the cost that would be incurred by state and local governments in carrying out or complying with legislation that is reported in the House or the Senate. CBO's policy is to review as many bills as possible to identify their potential impacts on state and local government costs. These cost estimates may be limited to bills that, in the judgment of CBO, are likely to result in an aggregate annual cost to state and local governments of at least $200 million or to have exceptional fiscal consequences for a geographic region or particular level of government. During 1986, CBO prepared state and local cost estimates for 588 bills. Of these bills, CBO estimated that 47 had some potential effect on the budgets of state or local governments and 541 had none.

Budget Process Analysis

As part of its ongoing study of government-sponsored enterprises, the Budget Process unit of the Budget Analysis Division reported on the Student Loan Marketing Association (Sallie Mae) in *Government-Sponsored Enterprises and Their Implicit Federal Subsidy: The Case of Sallie Mae*. Analysis of this type is likely to become more and more important as Congress focuses on ways to improve the budget process. Beside continuing its analysis of government-sponsored enterprises, the Budget Process unit will look at such issues as the sale of government assets, capital budgeting, and other proposed process changes.

Economic Forecasts

Each fiscal year, CBO provides the Congress with two economic forecast reports. They are issued to coincide with Congressional consideration of the concurrent resolutions on the budget.

CBO does not maintain its own macroeconomic model of the economy. Instead, it uses the major commercially available econometric models (Data Resources, Inc., Wharton Associates, Townsend-Greenspan, and Ray Fair

Economic Model). It also relies on the advice of a distinguished panel of advisers representing a wide spectrum of economic views. The panel is supplemented from time to time with guests possessing expertise in particular areas of interest. Appendix A to this statement lists the current members of the panel.

The reports issued in February and August of 1986 focused on recent economic developments, discussed fiscal and monetary policy, forecast short-term economic trends, and detailed the federal budget outlook under these economic assumptions. As has been previously mentioned, the CBO will have to run its models of the economy continuously in the future to conform to the requirements of the Balanced Budget Act. With the growing internationalization of the U.S. economy, the task has become more complex, since it is important to monitor developments abroad as well as in the United States.

Tax Analysis

In 1986, Congress passed a sweeping reform of the country's tax law. To aid Members of Congress in their deliberations of the bill, CBO provided background analysis of a number of important aspects of tax reform, including the likely long-term revenue effects of various proposals. The CBO also supplied members with many estimates of the effects of specific proposals on the tax burdens of selected sample taxpayers and on taxpayers with incomes near or below the poverty level.

CBO tracked the major tax revision proposals, by specific provision, regularly supplying committee staff with spreadsheets comparing the major proposals in great detail. Throughout the process, CBO responded to a significant number of questions from Congressional staff on virtually every aspect of the tax reform legislation.

CBO also continued to provide to the Budget Committees a set of standardized tables showing considerable background detail on CBO's baseline revenues and estimates of recent tax legislation. CBO received favorable comments about the usefulness of the tables from the Budget Committee staff members and will provide these tables each time CBO presents a new economic and budget baseline forecast. CBO also provides several sets of five-year baseline revenue estimates based on alternative economic forecasts developed by the staffs of both Budget Committees. Most of these are done to aid the staffs in their preparation of the budget resolution.

Revenue scorekeeping reports, with bill-by-bill detail, are sent biweekly, or as needed, to the staffs of the Ways and Means, Finance, and the Budget Committees. The reports provide five-year revenue effect estimates of each tax bill in the legislative process, and compare the cumulative revenue effects of enacted legislation with the targets set in the budget resolution. The revenue estimates shown in the reports are drawn from CBO cost estimate letters and are furnished to the tax writing committees when each tax bill is reported.

The CBO staff also continued to provide estimates of the revenue effects of many alternative deficit reduction plans. In addition, last year, the CBO completed a major study looking at the use of student loan bonds, the cost to the government of such tax-exempt financing, and the arbitrage earnings that accrue to issuers of the bonds. The report studies a number of alternatives to the present system.

Program Analysis

The CBO's program divisions--Human Resources, Natural Resources, National Security, and the small General Government unit in Intergovernmental Relations--respond to requests from Congressional committees for analyses of issues and options that help the Congress anticipate the consequences of legislative proposals. Four types of products illustrate the range of efforts carried out by the program divisions:

- Formal and informal cost estimates and other budget analytic work directly analogous to, or in support of, the efforts of the Budget Analysis Division. Often this work involves developing simulation models to estimate the impacts of technical and other changes in legislation.
- Short-term policy analyses, usually to estimate the likely effects--other than costs--of proposed legislation.
- Longer-term analyses of broad issue areas, considering a full range of policy options. These projects typically result in published papers.
- Testimony at Congressional hearings, which often follows from other work CBO has done.

The principal responsibility of the program divisions is to assist the committees of Congress in drawing the link bewteen legislative policy options and their budget effects. Over the years, CBO has responded to requests for analyses of key program issues from almost every committee of both Houses of Congress.

In fiscal year 1986, CBO completed 24 such reports for 15 Congressional committees--seven of the House and eight of the Senate. Appendix B of this statement shows the distribution of reports completed for House and Senate committees in fiscal year 1986. The subject areas of these reports have typically reflected the major budgetary issues before the Congress and the nation. Our program divisions support Congressional debate by organizing and presenting policy goals, often scattered among disparate programs in different budget functions and tax provisions, into a single analysis. In this way, Congress can see more clearly whether its policies are having the intended effect.

Some recent studies of this type are: Federal Policies for Infrastructure Management; Quality Soldiers: Costs of Manning the Active Army; Toll Financing of U.S. Highways; Trends in Educational Achievement; Employee Turnover in the Federal Government; and Improving the Army Reserves.

Much legislation with purposes not closely related to the federal budget nevertheless has important budgetary and economic consequences. Many committees have shown a strong interest in the analysis of the effects of such legislation, which often expands and complements information provided in a CBO cost estimate.

Recent published examples of such work by the CBO include: Curbing Acid Rain: Cost, Budget, and Coal-Market Effects; Uranium Enrichment: Options for a Competitive Program; and Financial Condition of the U.S. Electric Utility Industry.

Finally, in terms of direct support of the budget process by the program divisions, CBO undertakes studies that address the budgetary implications of changes in program emphasis or direction. Committee interest in such analyses may be prompted by budget constraints or by the perception that existing programs may be inefficient or have outlived their original intent.

Recent CBO studies along these lines include: The Economic Viability of Conrail; Trident II Missiles: Capability, Costs, and Alternatives; Physician Reimbursement Under Medicare: Options for Change; The Budgetary and Economic Effects of Oil Taxes; Budgeting for Defense Inflation; Analysis of the Budgetary Effects of the Space Shuttle Accident; Improving U.S. Strategic Mobility: The C-17 Program and Alternatives; and Earnings Sharing Options for the Social Security System.

Based on current committee requests, the CBO expects to complete at least the same number of reports in fiscal year 1987 as in fiscal year 1986. We further assume that our level of activity in fiscal year 1988 will be similar to that in previous fiscal years. CBO's program areas have remained remarkably stable in terms of staffing and funding since the inception of CBO. Through the years, they have accounted for approximately one-third of CBO's staff positions and a little more than one-quarter of its funding.

Published reports are only the most obvious example of the analytic support provided to the Congress by the program divisions. Regularly, they provide short-term analysis in the form of unpublished papers, staff memoranda, and letters to committee staffs. During Congressional deliberations on the new Federal Employees Retirement System, for example, CBO staff provided extensive technical assistance to the Budget and authorizing Committees concerning the budgetary impacts of numerous proposals.

In addition, the CBO maintains a heavy agenda of testimony. CBO was called upon to testify on 29 separate occasions during the last fiscal year before a variety of Congressional committees. This testimony is often in connection with an ongoing or completed report, though we sometimes prepare new analyses for such appearances.

Finally, CBO's program divisions have developed a number of sophisticated analytic computer models of federal programs. The output from these models is provided to our Budget Analysis Division for use in its cost estimates, and program analysts frequently help revise or improve existing BAD models. This allows our program units to respond to requests that require sophisticated analytic treatment, such as simulating the effects of options on beneficiaries of federal programs. Similarly, the program divisions have developed models, both for the Budget Committees and authorizing committees, that estimate the costs and revenues of specific programs. The models are used by the committees to respond to proposals made during the markup of legislation.

The demands made on our program units will not lessen under the Balanced Budget Act. To carry out its policy objectives during these times of severe fiscal constraint, the Congress will consider large numbers of new and innovative approaches in a myriad of programs. The CBO will be called upon, and stands ready to assist, in the evaluation and analyses of all such proposals, assuring the Congress of the best possible information on which to base its decisions. In addition, the Congress will continue to assess the programmatic and policy implications of budget reductions. The CBO program divisions have the resources in place to provide information as the Congress makes these important reassessments.

ORGANIZATION OF THE CBO

From time to time, questions arise about the CBO's organizational structure, the functions of each unit, and the interrelationship among them. For management and administrative purposes, our staff is divided into seven divisions. While the functions of each division are unique, the work of each is highly dependent on that of the other, and I would like to take time today to share with you how this "crosswalk" works. Three of our divisions--the Budget Analysis, Fiscal Analysis, and Tax Analysis Divisions--support primarily the needs of the House and Senate Budget and Appropriations Committees for accessible, comprehensive, and technical budget and economic information. The other four divisions--Natural Resources and Commerce, National Security, Human Resources and Community Development, and the General Government unit of the Office of Intergovernmental Relations--provide key support, often early in the legislative process, to the Budget and authorizing committees in analyzing various programmatic and policy options and their associated costs. To perform these tasks, each unit must collaborate with the others.

For example, the economic assumptions developed by the Fiscal Analysis Division serve as the basis for our cost estimates, projections, and analysis of issues. The budget numbers developed by Budget Analysis often depend on methodological studies done in the program divisions. Finally, all numbers developed in connection with analytic studies are reviewed by the cost analysts in the Budget Analysis Division. This crosswalk among our divisions is absolutely essential to our ability to provide accurate cost estimates and comprehensive analyses of alternative legislative strategies.

The interdependence of our organization is best exemplified by the report, Reducing the Deficit: Spending and Revenue Options. (Incidentally, Mr. Chairman, over the years, Members of Congress have told us they find this to be one of the most useful documents we produce.) The study describes several broad strategies for reducing the federal deficit and analyzes numerous specific spending and tax options for implementing those strategies. Each option lists the outlay savings or revenue increases that would result from its enactment. The Fiscal Analysis Division prepares the economic assumptions used in the report. The Budget Analysis Division prepares the baseline projections using these economic assumptions. The program divisions develop strategies and options. The cost analysts in Budget Analysis provide the savings estimates associated with each option. The Tax Analysis Division provides the analysis of revenue increases.

THE FISCAL YEAR 1988 REQUEST

As I indicated previously, the increment over the 1987 operating level comprises mostly mandatory spending items. Of the $1,058,000 increase being requested, $866,000, nearly 82 percent, is new spending being required of CBO by legislation and other changes mandated by the House and Senate. The other $192,000 requested, an increase of just 1 percent over the fiscal year 1987 level, is for a variety of items. The CBO is not seeking any new positions.

Mandatory Spending

The substantial increase in expenditures that CBO is required to make in fiscal year 1988 is due to two events: the implementation by the Congress of a new federal employee retirement system (FERS) and the Congressional decision to select a new telecommunications system.

The Federal Employees Retirement System Act of 1986 (P.L. 99-335), passed June 6, 1986, established a retirement program for Federal civilian employees and postal workers hired after December 31, 1983, who are covered by social security, and for employees under the Civil Service Retirement System (CSRS) who choose to transfer to the new system. This act sets an effective date of January 1, 1987, to begin coverage under FERS of employees hired after 1983.

Before enactment of the Retirement Act, employing agencies made payments matching employees' retirement contributions (7 percent of the basic pay for federal employees, and 7.5 percent for Congressional employees, law enforcement officers, and firefighters) to the civil service retirement and disability fund. Since these employee and agency contributions fall far short of the actual cost of CSRS benefits, an annual payment is made to the fund by the Treasury to finance the additional unfunded liability.

Unlike CSRS, the new FERS will be fully financed by agency and employee contributions beginning January 1, 1987. The CBO FERS contribution, including the savings plan, will be about 31 percent per participant versus a 7.5 percent per participant contribution under CSRS. These costs are compounded by the fact that CBO is an agency with a relatively young and regularly changing staff. Almost half of CBO's payroll will be enrolled in FERS by the end of fiscal year 1988. As a result, the additional cost of FERS in fiscal year 1988, including annualized costs of employees enrolled on January 1, 1987, and those employees projected to switch from CSRS between July 1, 1987 and January 1, 1988, amounts to $589,000.

The other major component of our mandatory spending is the purchase of a new telecommunications system. Over the past several months, CBO examined the telecommunication options offered by both the House and Senate. After careful study of the costs, the capabilities, and the management controls available to CBO, I elected to go with C&P Telephone, the system our analysis demonstrated would be the best for CBO and the least expensive for the Legislative Branch. On February 4, 1987, I sent to the

Chairman of the Subcommittee on Office Systems of the Committee on House Administration a letter of our analysis of the two competing systems. A copy of that letter is included as part of Appendix B.

Capital costs for the new system amount to $349,000. Operation and maintenance costs for fiscal year 1988 are estimated to be $68,000, a savings of more than $70,000 from current operating costs. The total cost of acquiring and operating the new telecommunications system in fiscal year 1988, net of operating savings, amounts to $277,000, if the transition is made at the beginning of the fiscal year.

Discretionary Spending

As usual, the bulk of our request in discretionary spending increases is for people and computers. The two major cost increases are for merit increases and related benefits and for ADP timesharing price increases. These costs and many others, however, are offset by continued savings from transferring expensive mainframe applications to microcomputers and by more efficent use of the mainframe computers.

Merit increases and related benefits amount to $226,000 in fiscal year 1988. Increases are budgeted at 2.3 percent of base salaries. This amount, by far, comprises the largest part of our discretionary request.

In addition, according to information provided by our major vendors, we expect that our ADP timesharing prices will increase 3 percent in fiscal year 1988 to $115,000.

The rest of the increases we have requested are for a variety of purposes. Among them are:

- o $73,000 for the last quarter of the January 1, 1987, for a 3 percent cost-of-living adjustment;
- o $43,000 to purchase the next generation of our primary mainframe software and for micro software upgrades;
- o $40,000 to replace and upgrade word processing equipment; and,
- o $23,000 to replace and upgrade ADP hardware.

CBO continues to benefit greatly from the efficiencies and price advantages of transferring our major mainframe system from commercial vendors to HIS, as well as from the transfer of mainframe applications to microcomputers. Last year alone, we reduced our computer costs by more than 16 percent. Total savings from these changes in fiscal year 1988 will amount to $428,000. We also expect savings of $45,000 next year in the area of ADP systems and data development, resulting at least in part from a greater emphasis on in-house development.

When combined with the requested spending increases, these savings bring the total amount of the discretionary spending increase to $192,000, just 1 percent over the fiscal year 1987 level and well below CBO's anticipated rate of inflation.

CONCLUSION

Mr. Chairman, as I stated at the opening of this justification, I have tried to maintain an austere approach to budgeting as Director of the CBO. For fiscal year 1988, we are not requesting any new positions. We have submitted a budget that, in its discretionary spending, is well below the expected rate of inflation. It is a budget, however, that we believe will allow CBO to continue to serve the Congress at the professional level it has come to expect. Thank you.

APPENDIX A. CBO PANEL OF ECONOMIC ADVISERS

Barbara Bergmann
Professor of Economics
University of Maryland

Barry P. Bosworth
Senior Fellow
The Brookings Institution

J. Dewey Daane
Valere Blair Potter Professor of Banking
Graduate School of Management
Vanderbilt University

Martin Feldstein
President, National Bureau
of Economic Research

Alan Greenspan
President, Townsend-Greenspan
& Company, Inc.

Eric A. Hanushek
Chairman, Department of Economics
University of Rochester

Walter W. Heller
Regents' Professor of Economics, Emeritus
University of Minnesota

Walter E. Hoadley
Senior Research Fellow, Hoover Institution
Bank of America

F. Thomas Juster
Institute for Social Research
University of Michigan

Lawrence R. Klein
Benjamin Franklin Professor of Economics
University of Pennsylvania

John Makin
Director, Fiscal Policy Studies
American Enterprise Institute

Leif H. Olsen
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Alice M. Rivlin
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Charles L. Schultze
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The Brookings Institution

Herbert Stein
Senior Fellow
American Enterprise Institute

James Tobin
Sterling Professor of Economics
Yale University

Murray Weidenbaum
Director
Center for the Study
of American Business
Washington University

Paul W. McCracken
Professor Emeritus of Business
Economics and Public Policy
Graduate School of Business
University of Michigan

APPENDIX B. SUMMARY OF COMPLETED CBO REPORTS BY REQUESTER (October 1, 1985 to September 30, 1986)

Requester	Number of Requests
House Appropriations Committee	2
House Armed Services Committee	5
House Budget Committee	3
House Education and Labor Committee	1
House Energy and Commerce Committee	1
House Public Works and Transportation Committee	1
House Science, Space, and Technology Committee	1
House Ways and Means Committee	2
Senate Appropriations Committee	2
Senate Armed Services Committee	4
Senate Banking, Housing and Urban Affairs Committee	1
Senate Budget Committee	4
Senate Commerce, Science, and Transportation Committee	1
Senate Energy and Natural Resources Committee	2
Senate Environment and Public Works Committee	2
Senate Finance Committee	2
Senate Labor and Human Resources Committee	2
Mandated by the Congressional Budget Act of 1974	3
Mandated by the Balanced Budget Act of 1985	2
Total	41

CONGRESSIONAL BUDGET OFFICE REPORTS—PART I: ONGOING PROJECTS

TOPIC: BUDGET PROCEDURES	REQUESTER(S)	COMPLETION DATE
NATURAL RESOURCES AND COMMERCE DIVISION (645160)		
ACCOUNTING FOR INVESTMENT IN THE FEDERAL BUDGET EXAMINES ALTERNATIVE TREATMENTS OF FEDERAL "INVESTMENT" SPENDING IN THE BUDGET PROCESS AND THE IMPLICATIONS OF VARIOUS TREATMENTS.	JOINT ECONOMIC COMMITTEE	JAN 30, 1987
BUDGET ANALYSIS DIVISION (430006)		
AN ANALYSIS OF CONGRESSIONAL BUDGET ESTIMATES FOR FISCAL YEAR 1983 COMPARES ACTUAL REVENUES AND OUTLAYS FOR FISCAL YEAR 1983 WITH THE ASSUMPTIONS USED BY CONGRESS IN ITS BUDGET RESOLUTIONS AND ANALYZES THE DIFFERENCES.	MANDATED BY CONGRESSIONAL BUDGET ACT OF 1974	JAN 01, 1987
BUDGET ANALYSIS DIVISION (430008)		
AN ANALYSIS OF CONGRESSIONAL BUDGET ESTIMATES FOR FISCAL YEAR 1984 COMPARES ACTUAL REVENUES AND OUTLAYS FOR FISCAL YEAR 1984 WITH THE ASSUMPTIONS USED BY CONGRESS IN ITS BUDGET RESOLUTIONS AND ANALYZES THE DIFFERENCES.	MANDATED BY CONGRESSIONAL BUDGET ACT OF 1974	JAN 01, 1987
BUDGET ANALYSIS DIVISION (630012)		
AN ANALYSIS OF THE PRESIDENT'S BUDGETARY PROPOSALS FOR FISCAL YEAR 1988 ANALYZES THE PRESIDENT'S BUDGETARY PROPOSALS FOR REVENUE AND SPENDING USING CBO'S ECONOMIC ASSUMPTIONS AND ESTIMATING TECHNIQUES.	HOUSE BUDGET COMMITTEE SENATE BUDGET COMMITTEE	FEB 25, 1987
HUMAN RESOURCES AND COMMUNITY DEVELOPMENT DIVISION (450016)		
FEDERAL LIVING ARRANGEMENTS FOR THE ELDERLY EXAMINES THE CHANGING FEDERAL LIVING ARRANGEMENTS OF THE ELDERLY AND THE IMPLICATIONS FOR FEDERAL POLICY.	HOUSE BUDGET COMMITTEE	JAN 30, 1987

TOPIC: DEFENSE	REQUESTER(S)	COMPLETION DATE
NATIONAL SECURITY AND INTERNATIONAL AFFAIRS DIVISION (670776)		
ENLISTED RECRUITING AND RETENTION TRENDS IN THE RESERVE COMPONANTS ANALYZES WHETHER THE CURRENT PACKAGE OF INCENTIVE PROGRAMS FOR RESERVE RECRUITING AND RETENTION IS ADEQUATE TO SUPPORT PLANNED GROWTH IN RESERVES AND POSSIBLE ALTERNATIVES	HOUSE ARMED SERVICES COMMITTEE	NOV 30, 1986
NATIONAL SECURITY AND INTERNATIONAL AFFAIRS DIVISION (570064)		
IDENTIFYING THE ARMY'S NEAR-TERM GOALS WILL ANALYZE ARMY'S ABILITY TO EXPAND ITS FORCE STRUCTURE AND MEET ITS GOALS OF MODERNIZATON, READINESS, AND SUSTAINABILITY, INCLUDING TOTAL COST OF PLANS AND HOW PLANS MIGHT BE ALTERED BY LOWER SPENDING.	HOUSE ARMED SERVICES COMMITTEE	DEC 01, 1986
NATIONAL SECURITY AND INTERNATIONAL AFFAIRS DIVISION (675388)		
COST, PRODUCTIVITY, AND THE EXPERIENCED SOLDIER CAN EXPERIENCE SUBSTITUTE FOR NUMBERS IN MILITARY JOBS? CBO WILL STUDY COST AND PRODUCTIVITY OF ALTERNATIVE ENLISTED EXPERIENCE STRUCTURES. ANALYZED POLICY CHANGES WILL INCLUDE CHANGES IN END STRENGTH.	HOUSE ARMED SERVICES COMMITTEE	FEB 01, 1987
NATIONAL SECURITY AND INTERNATIONAL AFFAIRS DIVISION (675460)		
ANALYSIS OF PROCUREMENT AT ECONOMIC PRODUCTION RATES THIS PROJECT EXAMINES THE POTENTIAL FOR SAVINGS THROUGH PROCUREMENT OF WEAPONS SYSTEMS AT ECONOMIC RATES OF PRODUCTION.	SENATE ARMED SERVICES COMMITTEE	FEB 01, 1987
NATIONAL SECURITY AND INTERNATIONAL AFFAIRS DIVISION (570053)		
OVERVIEW OF OPERATION AND MAINTENANCE BUDGET ACCOUNTS ANALYSIS OF WHAT WITHIN OPERATION AND MAINTENANCE ACCOUNTS REALLY CONTRIBUTES TO MILITARY READINESS AND WHETHER THE LEVELS AVAILABLE WITHIN THESE ACCOUNTS PROVIDE ADEQUATE FUNDING FOR READINESS.	SENATE BUDGET COMMITTEE	MAR 01, 1987

TOPIC: DEFENSE (CONTINUED)	REQUESTER(S)	COMPLETION DATE
NATIONAL SECURITY AND INTERNATIONAL AFFAIRS DIVISION (675402)		
UPDATED COST ANALYSIS OF STRATEGIC FORCE MODERNIZATION UPDATES CBO'S 1983 REPORT OF COSTS AND EFFECTIVENESS OF ADMINISTRATION'S MODERNIZATION PLA TION'S MODERNIZATION PLAN, INCLUDING A LOOK AT COMPLEMENTARY AND FOLLOW-ON SYSTEMS.	HOUSE ARMED SERVICES COMMITTEE	MAR 01, 1987
NATIONAL SECURITY AND INTERNATIONAL AFFAIRS DIVISION (675373)		
MILESTONE BUDGETING IN DEFENSE PROCUREMENT ANALYZES THE CONCEPT OF MILESTONE BUDGETING: CONGRESS AUTHORIZING AND APPROPRIATING FUNDS FOR MAJOR WEAPONS SYSTEMS WHEN THE SYSTEMS ARE READY FOR FULL-SCALE ENGINEERING AND PRODUCTION.	SENATE BUDGET COMMITTEE	JUN 01, 1987
TOPIC: ECONOMY AND FISCAL POLICY		
FISCAL ANALYSIS DIVISION (620012)		
THE ECONOMIC AND BUDGET OUTLOOK: FISCAL YEARS 1988-1992 ANNUAL FORECAST OF THE ECONOMY, BASELINE BUDGET PROJECTIONS, AND RESULTING DEFICITS.	ANNUAL REPORT: MANDATED BY CONGRESSIONAL BUDGET ACT	JAN 20, 1987
OFFICE OF THE DIRECTOR (680007)		
REDUCING THE DEFICIT: SPENDING AND REVENUE OPTIONS ECONOMIC ALTERNATIVE WAYS OF ALLOCATING BUDGET AUTHORITY AND BUDGET OUTLAYS.	ANNUAL REPORT: MANDATED BY CONGRESSIONAL BUDGET ACT	JAN 30, 1987
TOPIC: EDUCATION		
HUMAN RESOURCES AND COMMUNITY DEVELOPMENT DIVISION (350220)		
TRENDS IN EDUCATIONAL ACHIEVEMENT VOL. II ANALYSIS OF ISSUES RELEVANT TO FEDERAL SUPPORT OF PUBLIC EDUCATION AT ELEMENTARY AND SECONDARY LEVELS.	SENATE LABOR AND HUMAN RESOURCES COMMITTEE	DEC 01, 1986

TOPIC: ENERGY	REQUESTER(S)	COMPLETION DATE
NATURAL RESOURCES AND COMMERCE DIVISION (645138)		
SOLVENCY OF THE REA REVOLVING TRUST FUND ANALYSIS OF REA'S REVOLVING TRUST FUND WITH OPTIONS FOR ACHIEVING AND MAINTAINING SOLVENCY.	HOUSE BUDGET COMMITTEE	JAN 30, 1987
TOPIC: ENVIRONMENT AND NATURAL RESOURCES		
NATURAL RESOURCES AND COMMERCE DIVISION (640101)		
ENVIRONMENTAL TAXES AN ANALYSIS OF POSSIBLE AFFECTS OF AIR, WATER, AND HAZARDOUS WASTE POLLUTION TAXES BOTH FOR POLLUTION ABATEMENT POTENTIAL AS WELL AS REVENUE POSSIBILITIES.	SENATE ENVIRONMENT AND PUBLIC WORKS COMMITTEE	JAN 01, 1987
TOPIC: FEDERAL WORK FORCE AND GOVERNMENT ADMINISTRATION		
OFFICE OF INTERGOVERNMENTAL RELATIONS--GENERAL GOVERNMENT MANAGEMENT (665440)		
CONTRACTING OUT FOR FEDERAL SUPPORT SERVICES AN ANALYSIS OF THE NEAR-END LONG-TERM SAVINGS POTENTIAL OF THE GOVERNMENTS CONTRACTING OUT EFFORTS	SENATE ARMED SERVICES COMMITTEE	FEB 15, 1987
OFFICE OF INTERGOVERNMENTAL RELATIONS--GENERAL GOVERNMENT MANAGEMENT (665409)		
CIVILIAN EMPLOYMENT IN THE FEDERAL GOVERNMENT AN OVERVIEW OF TRENDS IN FEDERAL CIVILIAN EMPLOYMENT	HOUSE POST OFFICE AND CIVIL SERVICE COMMITTEE	FEB 30, 1987
OFFICE OF INTERGOVERNMENTAL RELATIONS--GENERAL GOVERNMENT MANAGEMENT (665466)		
POTENTIAL DEFICIT IMPACT OF U.S. POSTAL SERVICE FINANCES FINANCIAL CONDITION OF USPS FUND AND ITS INTERACTION WITH OTHER BUDGET ACCOUNTS, INCLUDING: ACCRUAL COSTS VERSUS CASH OUTLAYS, RATE ADJUSTMENTS AND ON BUDGET STATUS.	SENATE BUDGET COMMITTEE	JUN 01, 1987

TOPIC: GENERAL SCIENCES, SPACE, TECHNOLOGY	REQUESTER(S)	COMPLETION DATE
NATURAL RESOURCES AND COMMERCE DIVISION (645432)		
FEDERAL POLICIES AFFECTING THE STEEL INDUSTRY IDENTIFIES & ANALYZES FEDERAL POLICIES THAT DIRECTLY OR INDIRECTLY AFFECT THE IMPLEMENTATION OF NEW TECHNOLOGY BY THE AMERICAN STEEL INDUSTRY, INCLUDING TAX POLICIES, N&D ASSISTANCE, FISCAL INVENTORY POLICY & INTERNATIONAL TRADE LAWS	HOUSE SCIENCE & TECHNOLOGY COMMITTEE	DEC 01, 1986
NATURAL RESOURCES AND COMMERCE DIVISION (540015)		
ANALYSIS OF FEDERAL POLICY AS IT AFFECTS COMMERCIAL DEVELOPMENT OF SPACE ANANALYSIS OF POSSIBLE FEDERAL POLICIES AFFECTING THE COMMERCIAL DEVELOPMENT OF SPACE, INCLUDING ANALYSES OF COMMUNICATIONS, REMOTE SENSING AND MATERIALS PROCESSING ACTIVITIES, AS WELL AS THE PHYSICAL INFRASTRUCTURE AND TRANSPORTATION SERVICES NEEDED.	SENATE COMMERCE, SCIENCE AND TRANSPORTATION COMMITTEE	JAN 01, 1987

TOPIC: HEALTH	REQUESTER(S)	COMPLETION DATE
HUMAN RESOURCES AND COMMUNITY DEVELOPMENT DIVISION (550023)		
MEDICARE'S REIMBURSEMENT OF CAPITAL COSTS EXAMINES THE BUDGETARY EFFECTS OF PHASING OUT THE PASS-THROUGH ELEMENT OF CAPITAL COSTS UNDER MEDICARE'S PROSPECTIVE PAYMENT SYSTEM.	SENATE FINANCE COMMITTEE HOUSE ENERGY AND COMMERCE COMMITTEE	JAN 01, 1987
HUMAN RESOURCES AND COMMUNITY DEVELOPMENT DIVISION (450017)		
FINANCING LONG-TERM CARE THE STUDY WILL INCLUDE AN IN-DEPTH ANALYSIS OF HEALTH CARE FINANCING ISSUES AND OPTIONS IN LONG-TERM CARE FOR THE CHRONICALLY ILL AND DISABLED.	HOUSE BUDGET COMMITTEE	FEB 01, 1987
HUMAN RESOURCES AND COMMUNITY DEVELOPMENT DIVISION (350021)		
ISSUES IN MEDICARE'S SYSTEM OF PROSPECTIVE PAYMENTS TO HOSPITALS ANALYSIS OF SEVERAL ISSUES IN HOSPITAL PROSPECTIVE PAYMENT:EFFECTS ON VARIOUS TYPES OF HOSPITALS, CAPITAL REIMBURSEMENT AND PAYMENT FOR MEDICAL EDUCATION.	HOUSE ENERGY AND COMMERCE COMMITTEE	MAR 01, 1987
HUMAN RESOURCES AND COMMUNITY DEVELOPMENT DIVISION (654387)		
MEDICARE PAYMENTS FOR GRADUATE MEDICAL EDUCATION EXAMINES MANAGEMENT OF MEDICARE PAYMENTS TO GRADUATE MEDICAL STUDENTS AND OPTIONS FOR REDUCING COSTS.	HOUSE ENERGY AND COMMERCE COMMITTEE	MAR 01, 1987
HUMAN RESOURCES AND COMMUNITY DEVELOPMENT DIVISION (250031)		
FINANCING UNCOMPENSATED HOSPITAL CARE EXAMINES THE EXTENT TO WHICH HOSPITAL CARE ISN'T DIRECTLY REIMBURSED BECAUSE PATIENTS HAVE NO HEALTH INSURANCE.ADEQUACY OF CURRENT METHODS OF FINANCING THIS CARE ARE ANALYZED AND OPTIONS EVALUATED.	HOUSE WAYS AND MEANS COMMITTEE	JUN 01, 1987
TOPIC: HOUSING		
HUMAN RESOURCES AND COMMUNITY DEVELOPMENT DIVISION (450020)		
FEDERAL HOUSING ASSISTANCE: ELIGIBILITY CRITERIA FOR RECIPIENT HOUSEHOLDS ANALYZING FEDERAL HOUSING ASSISTANCE PROGRAMS, EMPHASIZING A COMPARISON OF CURRENT RECIPIENTS WITH THE ELIGIBLE POPULATION.	HOUSE BANKING, FINANCE AND URBAN AFFAIRS COMMITTEE	JAN 01, 1987

TOPIC: INCOME ASSISTANCE	REQUESTER(S)	COMPLETION DATE
HUMAN RESOURCES AND COMMUNITY DEVELOPMENT DIVISION (653128)		
PAYMENT RATES FOR HOSPITALS SERVING LARGE SHARES OF LOW INCOME PATIENTS CHANGES MADE TO MEDICARE'S PROSPECTIVE PAYMENTS SYSTEM BY COBRA REQUIRE ADJUSTMENTS IN PAYMENT RATES TO HOSPITALS SERVING LARGE NUMBERS OF LOW INCOME PATIENTS. CBO WILL STUDY THE IMPACT OF THESE ADJUSTMENTS ON HOSPITALS.	HOUSE WAYS AND MEANS COMMITTEE	JAN 01, 1987
HUMAN RESOURCES AND COMMUNITY DEVELOPMENT DIVISION (655462)		
CHARACTERISTICS AND PATTERNS AMONG WELFARE RECIPIENTS TWO-PART STUDY. FIRST PART IS COMPARISON OF LOW-INCOME FAMILIES ON WELFARE W/REST OF POPULATION, RECENT RELATIONSHIP CHANGES W/ECONOMY. SECOND PART INVESTIGATES WHY RECIPIENT GOES ON&OFF WELFARE		FEB 01, 1987
HUMAN RESOURCES AND COMMUNITY DEVELOPMENT DIVISION (250019)		
REDUCING LONG-TERM DEPENDENCY AMONG THE WELFARE POPULATION PAPER DESCRIBES WHAT IS KNOWN ABOUT DEPENDENCE AND EMPLOYMENT EXPERIENCE OF THE WELFARE POPULATION,DISCUSSES THE POLICY ISSUES,EVALUATES PAST AND PRESENT EFFORTS AND ANALLYZES SEVERAL OPTIONS FOR REDUCING DEPENDENCE ON AFDC AND FOOD STAMPS.	SENATE BUDGET COMMITTEE SENATE AGRICULTURE, NUTRITION AND FORESTRY COMMITTEE	MAR 01, 1987
HUMAN RESOURCES AND COMMUNITY DEVELOPMENT DIVISION (655322)		
TEENAGE PREGNANCY: ISSUES AND OPTIONS THE CBO WILL EXAMINE THE CHARACTERISTICS OF YOUNG PARENTS, PARTICULARLY SOURCES OF SELF-SUPPORT, AS OPPOSED TO LONG-TERM PUBLIC ASSISTANCE.	HOUSE WAYS AND MEANS COMMITTEE	MAR 01, 1987
TOPIC: INTERNATIONAL ECONOMIC RELATIONS		
NATURAL RESOURCES AND COMMERCE DIVISION (640100)		
U.S. STRATEGIES FOR A NEW ROUND OF TRADE NEGOTIATIONS ANALYSIS OF U.S. STRATEGIES IN NEXT ROUND OF TRADE NEGOTIATIONS, FOCUSING ON SECTORAL AFFECTS.	SENATE FINANCE COMMITTEE	DEC 01, 1986

TOPIC: STATE AND LOCAL GOVERNMENT	REQUESTER(S)	COMPLETION DATE
NATURAL RESOURCES AND COMMERCE DIVISION (340016)		
THE BOND MARKET FOR MUNICIPAL WATER SUPPLY SYSTEMS ANALYSIS OF THE STRUCTURE OF THE BOND MARKET FOR MUNICIPAL WATER SUPPLY FINANCING AND THE EXTENT TO WHICH FEDERAL ASSISTANCE MAY BE WARRANTED.	SENATE ENVIRONMENT AND PUBLIC WORKS COMMITTEE	MAR 30, 1987
TOPIC: TAX EXPENDITURES		
TAX ANALYSIS DIVISION (310004)		
TAX POLICIES FOR PENSIONS AND RETIREMENT SAVINGS EXAMINES HOW CURRENT TAX POLICY MIX PROVIDES FOR RETIREMENT INCOME AND SAVING. ALTERNATIVE MIXES ARE CONSIDERED AS WELL AS RELATIONSHIP TO SOCIAL SECURITY AND INFLATION PROTECTION FOR BENEFITS.	SENATE FINANCE COMMITTEE	DEC 30, 1986
TOPIC: TAX RECEIPTS AND DISTRIBUTION		
TAX ANALYSIS DIVISION (410002)		
CBO'S CORPORATE TAX REVENUE ESTIMATING PROCEDURE EXPLANATION OF CBO'S CORPORATE TAX REVENUE ESTIMATING MODELS AND TECHNIQUES.	MANDATED BY CONGRESSIONAL BUDGET ACT OF 1974	DEC 30, 1986
TAX ANALYSIS DIVISION (615456)		
CHANGES IN THE DISTRIBUTION OF CERTAIN FEDERAL EXCISE TAXES FROM 1974 TO 1989 STUDIES DISTRIBUTIONAL EFFECTS & DOLLAR BURDENS OF CERTAIN EXCISE TAXES.	SENATE FINANCE COMMITTEE	DEC 30, 1986
TAX ANALYSIS DIVISION (610956)		
CHANGES IN THE DISTRIBUTION OF FEDERAL TAXES FROM 1974 TO 1989 MEASURES THE CHANGE IN TAX BURDENS IN PRE-TAX INCOME AND FEDERAL TAX LAWS FOR CURRENT LAW AND REFORM.	SENATE FINANCE COMMITTEE	MAR 01, 1987

CONGRESSIONAL BUDGET OFFICE REPORTS—SPECIAL PART II: PROJECTS COMPLETED BETWEEN OCT. 1, 1985, AND SEPT. 30, 1986

TOPIC: BUDGET PROCEDURES	REQUESTER(S)	COMPLETION DATE
BUDGET ANALYSIS DIVISION (330023)		
GOVERNMENT SPONSORED ENTERPRISES AND THEIR IMPLICIT FEDERAL SUBSIDY: THE CASE OF SALLIE MAE THIS PAPER DESCRIBES THE CREDIT MARKET ACTIVITIES OF GOVERNMENT SPONSORED ENTERPRISES, IDENTIFIES AND ESTIMATES THE SUBSIDY PROVIDED TO THEM THROUGH AGENCY STATUS, AND CONSIDERS CURRENT AND ALTERNATIVE BUDGET TREATMENT OF THESE SUBSIDIES.	SENATE BUDGET COMMITTEE SENATE BANKING, HOUSING AND URBAN AFFAIRS COMMITTEE	DEC 01, 1985 PUBLISHED
NATURAL RESOURCES AND COMMERCE DIVISION (340008)		
FEDERAL POLICIES FOR INFRASTRUCTURE MANAGEMENT REVIEWS ALTERNATIVE METHODS OF ALLOCATING FEDERAL CAPITAL DOLLARS AMONG COMPETING PROJECTS AND HOW SUCH METHODS MIGHT BE INCORPORATED INTO A FRAMEWORK OF CAPITAL BUDGETING.	HOUSE PUBLIC WORKS AND TRANSPORTATION COMMITTEE	JUN 18, 1986 PUBLISHED
OFFICE OF THE DIRECTOR (680000)		
REDUCING THE DEFICIT: SPENDING AND REVENUE OPTIONS AS REQUIRED BY THE '74 BUDGET ACT, THIS REPORT IS A DISCUSSION OF NATIONAL BUDGET PRIORITIES, INCLUDING SPENDING AND REVENUE OPTIONS FOR REDUCING THE FEDERAL BUDGET DEFICIT.	ANNUAL REPORT: MANDATED BY CONGRESSIONAL BUDGET ACT HOUSE BUDGET COMMITTEE SENATE BUDGET COMMITTEE	FEB 28, 1986 PUBLISHED

TOPIC: BUDGET AND BUDGET PROJECTIONS	REQUESTER(S)	COMPLETION DATE
FISCAL ANALYSIS DIVISION (620001)		
THE ECONOMIC AND BUDGET OUTLOOK: FISCAL YEARS 1987-1991 PRESENTS AS REQUIRED BY '74 BUDGET ACT, PROJECTIONS OF FEDERAL REVENUES AND SPENDING UNDER CURRENT LAWS AND POLICIES AND EXAMINES THE STATE OF THE ECONOMY AND ITS OUTLOOK UNDER THESE LAWS.	ANNUAL REPORT: MANDATED BY CONGRESSIONAL BUDGET ACT HOUSE BUDGET COMMITTEE SENATE BUDGET COMMITTEE	FEB 20, 1986 PUBLISHED
BUDGET ANALYSIS DIVISION (630001)		
SEQUESTRATION REPORT FOR FISCAL YEAR 1986 AS PER PUBLIC LAW 99-177, OMB AND CBO ESTIMATE BUDGET BASE LEVELS AND EXCESS DEFICIT AND CALCULATE AMOUNT AND PERCENTAGE OF SEQUESTRATION OF AUTHORIZED BUDGETARY RESOURCES.		JAN 15, 1986 PUBLISHED
BUDGET ANALYSIS DIVISION (630002)		
ANALYSIS OF THE PRESIDENT'S BUDGETARY PROPOSALS FOR FISCAL YEAR 1987 THE REPORT REESTIMATES THE PRESIDENT'S BUDGETARY PROPOSALS USING CBO'S TECHNICAL AND ECONOMIC ASSUMPTIONS.	SENATE APPROPRIATIONS COMMITTEE	FEB 21, 1986 PUBLISHED
TOPIC: DEFENSE		
NATIONAL SECURITY AND INTERNATIONAL AFFAIRS DIVISION (470009)		
IMPROVING THE ARMY RESERVES ANALYSIS OF ADVANTAGES AND DISADVANTAGES AND LIKELY CHANGES IN COSTS OF SUBSTITUTING RESERVE/GUARD FORCES FOR ACTIVE DUTY FORCES.	HOUSE ARMED SERVICES COMMITTEE	NOV 01, 1985 PUBLISHED
NATIONAL SECURITY AND INTERNATIONAL AFFAIRS DIVISION (570057)		
BUDGETING FOR DEFENSE INFLATION REVIEW ANALYZES CURRENT DOD METHOD OF PROJECTING AND BUDGETING FOR IN INFLATION AND POSSIBLE ALTERNATIVE WAYS PROCEDURES TO INSURE CONGRESS INCORPORATES ADJUSTMENTS IN TIMELY FASHION AND OTHER ISSUES.	SENATE ARMED SERVICES COMMITTEE HOUSE ARMED SERVICES COMMITTEE	DEC 01, 1985 PUBLISHED

TOPIC: DEFENSE (CONTINUED)	REQUESTER(S)	COMPLETION DATE
NATIONAL SECURITY AND INTERNATIONAL AFFAIRS DIVISION (570058)		
OPERATIONAL TEST AND EVALUATION MISSILES FOR TRIDENT II SLMB PROGRAM ANALYSIS OF BASIS FOR PLANNED PROCUREMENT AND EMPLOYMENT OF D-5 TEST ASSETS TO INCLUDE THE STATISTICAL UNDERPINNINGS OF PLANNED PROGRAM	SENATE APPROPRIATIONS COMMITTEE	JAN 01, 1986 PROVIDED TO REQUESTER: UNPUBLISHED
NATIONAL SECURITY AND INTERNATIONAL AFFAIRS DIVISION (570056)		
MX TEST PROGRAM: AN ANALYSIS AN ANALYSIS OF THE AIR FORCE PLAN FOR OPERATIONAL TESTING OF THE MX MISSLE, INCLUDING THE BASIS FOR PLANNED PROCUREMENT AND USE OF MX TEST ASSETS THE STATISTICAL UNDERPINNINGS OF THE PLANNED PROGRAM	SENATE ARMED SERVICES COMMITTEE	FEB 01, 1986 PROVIDED TO REQUESTER: UNPUBLISHED
NATIONAL SECURITY AND INTERNATIONAL AFFAIRS DIVISION (570063)		
ANALYSIS OF ALTERNATIVES FOR THE NEXT GENERATION OF AIR FORCE TRAINERS WILL ANALYZE THE VARIOUS OPTIONS UNDER CONSIDERATION BY THE AIR FORCE FOR A NEXT GENERATION OF PRIMARY TRAINER AIRCRAFT, INCLUDING MODIFICATION OF THE CURRENT T-37B TRAINER.	HOUSE ARMED SERVICES COMMITTEE	MAR 01, 1986 PROVIDED TO REQUESTER: UNPUBLISHED
NATIONAL SECURITY AND INTERNATIONAL AFFAIRS DIVISION (570050)		
ELIMINATION OF DOUBLE TAX BREAKS IN HOUSING DEDUCTIONS FOR MILITARY HOMEOWNERS ANALYSES OF THE POSSIBLE IMPACT OF THE ELIMINATION OF DOUBLE TAX BREAKS IN HOUSING ALLOWANCES ON MILITARY PERSONNEL AND DEFENSE BUDGET.	SENATE ARMED SERVICES COMMITTEE	MAR 04, 1986 PUBLISHED
NATIONAL SECURITY AND INTERNATIONAL AFFAIRS DIVISION (470048)		
QUALITY SOLDIERS: COSTS OF MANNING THE ACTIVE ARMY WILL ANALYZE TRENDS IN SUPPLY OF AND REASONS FOR RECRUITING HIGH QUALITY, INCLUDING EFFECTS OF NEW WEAPONS SYSTEMS AND ARMY DEMAND FOR PERSONNEL IN DIFFERENT TYPES OF JOBS AS WELL AS THE RECRUITING RESOURCES NEEDED.	HOUSE ARMED SERVICES COMMITTEE	JUN 20, 1986 PUBLISHED

TOPIC: DEFENSE (CONTINUED)	REQUESTER(S)	COMPLETION DATE
NATIONAL SECURITY AND INTERNATIONAL AFFAIRS DIVISION (570060)		
ARMY AIR DEFENSE FOR FORWARD AREAS: STRATEGIES AND COSTS WILL EXAMINE ALTERNATIVE MEANS OF MEETING THE ARMY'S NEEDS FOR SHORT RANGE AIR DEFENSE INCLUDING POTENTIAL CAPABILITIES, LIKELY AVAILABILITY AND COSTS ASSOCIATED WITH EACH PROPOSED ALTERNATIVE.	HOUSE ARMED SERVICES COMMITTEE	JUN 20, 1986 PUBLISHED
NATIONAL SECURITY AND INTERNATIONAL AFFAIRS DIVISION (675327)		
ANALYSIS OF SAVINGS FROM ECONOMIC PRICE ADJUSTMENT: AN UPDATE UPDATES PREVIOUS CBO ESTIMATES OF SAVINGS IN USAF AIRCRAFT CONTRACTS USING EPA CLAUSES	HOUSE APPROPRIATIONS COMMITTEE	AUG 01, 1986 PROVIDED TO REQUESTER: UNPUBLISHED
NATIONAL SECURITY AND INTERNATIONAL AFFAIRS DIVISION (570059)		
TRIDENT II MISSILES: CAPABILITY, COSTS, ALTERNATIVES ANALYSIS OF COSTS AND BENEFITS OF D-5 SYSTEM, INCLUDING SAVINGS ASSOCIATED WITH ALTERNATIV CAPABILITIES LOST UNDER ALTERNATIVES.	HOUSE BUDGET COMMITTEE	AUG 01, 1986 PUBLISHED
NATIONAL SECURITY AND INTERNATIONAL AFFAIRS DIVISION (570061)		
IMPROVING STRATEGIC MOBILITY: THE C-17 PROGRAM AND ALTERNATIVES UPDATES A 1985 STUDY OF THE SAME SUBJECT.	SENATE ARMED SERVICES COMMITTEE	SEP 17, 1986 PUBLISHED

TOPIC: ECONOMY AND FISCAL POLICY	REQUESTER(S)	COMPLETION DATE
FISCAL ANALYSIS DIVISION (622222)		
ECONOMIC & BUDGET OUTLOOK: ALL UPDATES UPDATES CBO'S ECONOMIC ASSUMPTIONS AND BUDGET BASELINE FOR FISCAL YEARS '86-'91	MANDATED BY CONGRESSIONAL BUDGET ACT OF 1974	AUG 03, 1986 PUBLISHED
NATURAL RESOURCES AND COMMERCE DIVISION (540010)		
THE DOLLAR IN FOREIGN EXCHANGE AND U.S. INDUSTRIAL PRODUCTION INVESTIGATE HOW THE DOLLAR S APPRECIATION HAS AFFECTED THE PERFORMANCE OF INDIVIDUAL MANUFACTURING INDUSTRIES.	SENATE BUDGET COMMITTEE	DEC 11, 1985 PROVIDED TO REQUESTER: UNPUBLISHED
NATURAL RESOURCES AND COMMERCE DIVISION (645287)		
THE BUDGETARY AND ECONOMIC EFFECTS OF OIL TAXES THIS PAPER ADDRESSES THE BUDGETARY AND ECONOMIC EFFECTS OF FIVE DIFFERENT OIL/ENERGY TAXES ON REDUCING CURRENT AND FUTURE BUDGET DEFICITS.	SENATE BUDGET COMMITTEE	APR 21, 1986 PUBLISHED
TOPIC: EDUCATION		
HUMAN RESOURCES AND COMMUNITY DEVELOPMENT DIVISION (350020)		
TRENDS IN EDUCATIONAL ACHIEVEMENT VOL. 1 ANALYSIS OF ISSUES RELEVANT TO FEDERAL SUPPORT OF PUBLIC ELEMENTARY AND SECONDARY EDUCATION.	SENATE LABOR AND HUMAN RESOURCES COMMITTEE	APR 07, 1986 PUBLISHED

TOPIC: ENERGY	REQUESTER(S)	COMPLETION DATE
NATURAL RESOURCES AND COMMERCE DIVISION (440021)		
U.S. URANIUM ENRICHMENT: OPTIONS FOR A COMPETITIVE PROGRAM ANALYSIS OF THE PRICE CHARGED REACTOR OWNERS AND THE RELATIONSHIP OF THAT PRICE TO THE FINANCIAL PERFORMANCE OF THE ENRICHMENT ENTERPRISE.	HOUSE SCIENCE & TECHNOLOGY COMMITTEE	OCT 29, 1985 PUBLISHED
NATURAL RESOURCES AND COMMERCE DIVISION (440025)		
FINANCIAL CONDITION OF THE U.S. ELECTRIC UTILITY INDUSTRY EXAMINES THE PROSPECTS FOR UTILITY BANKRUPTCIES IN THE NEAR FUTURE AND DISCUSSES THE IMPLICATIONS OF ALTERNATIVE FEDERAL ROLES IN EITHER AS SIGNING OR ABSORBING THE COSTS OF UTILITY FINANCING FAILURE AMONG RATE PAYERS, STOCKHOLDERS AND TAXPAYERS.	SENATE ENERGY AND NATURAL RESOURCES COMMITTEE	APR 07, 1986 PUBLISHED
TOPIC: ENVIRONMENT AND NATURAL RESOURCES		
NATURAL RESOURCES AND COMMERCE DIVISION (440004)		
CURBING ACID RAIN: COST, BUDGET, AND COAL-MARKET EFFECTS ANALYSIS OF THE FOLLOWING THREE GENERIC APPROACHES FOR CURBING SO2 EMISSION: ENERGY FEES, EMISSION TAXES AND POLLUTOR COSTS.	HOUSE BUDGET COMMITTEE SENATE ENVIRONMENT AND PUBLIC WORKS COMMITTEE	JUN 18, 1986 PUBLISHED
TOPIC: FEDERAL WORK FORCE AND GOVERNMENT ADMINISTRATION		
OFFICE OF INTERGOVERNMENTAL RELATIONS--GENERAL GOVERNMENT MANAGEMENT (560001)		
EMPLOYEE TURNOVER IN THE FEDERAL GOVERNMENT ANALYSIS OF THE NATURE AND EXTENT OF TURNOVER AMONG FEDERAL CIVILIAN EMPLOYEES.	HOUSE BUDGET COMMITTEE	MAR 03, 1986 PUBLISHED

TOPIC: GENERAL SCIENCES, SPACE, TECHNOLOGY	REQUESTER(S)	COMPLETION DATE
NATURAL RESOURCES AND COMMERCE DIVISION (640103)		
ANALYSIS OF BUDGETARY EFFECTS OF THE SPACE SHUTTLE ACCIDENT ESTIMATES OF THE BUDGETARY CONSEQUENCES OF A THREE-MONTH, SIX-MONTH AND NINE-MONTH SUSPENSION OF SHUTTLE LAUNCHES.		MAR 09, 1986 PROVIDED TO REQUESTER: UNPUBLISHED
TOPIC: HEALTH		
HUMAN RESOURCES AND COMMUNITY DEVELOPMENT DIVISION (450011)		
PHYSICIANS REIMBURSEMENT UNDER MEDICARE: OPTIONS FOR CHANGE MODIFYING THE WAY MEDICARE REIMBURSES PHYSICIANS.	SENATE BUDGET COMMITTEE	APR 23, 1986 PUBLISHED
TOPIC: INCOME ASSISTANCE		
HUMAN RESOURCES AND COMMUNITY DEVELOPMENT DIVISION (350010)		
EARNINGS SHARING OPTIONS FOR RESTRUCTURING THE SOCIAL SECURITY SYSTEM REPORT IS MANDATED BY THE SOCAL SECURITY AMENDMENTS OF 1983 AND INCLUDES AN EVALUATION OF THE REPORT OF THE SECRETARY OF HHS ON THE SAME SUBJECT.	HOUSE WAYS AND MEANS COMMITTEE SENATE FINANCE COMMITTEE	FEB 01, 1986 PUBLISHED

TOPIC: TAX EXPENDITURES	REQUESTER(S)	COMPLETION DATE
TAX ANALYSIS DIVISION (510024)		
ANALYSIS OF TAX TREATMENT OF OIL AND GAS INDUSTRY IN THE PRESIDENT'S TAX REFORM PROPOSAL WILL ANALYZE THE PROPOSED CHANGES IN THE TAX TREATMENT OF THE OIL AND GAS INDUSTRY FOR THE EFFECTS THE PROPOSAL WILL HAVE ON FUTURE PRODUCTION AND PRICE OF OIL AND GAS, AS WELL AS ESTIMATES OF INCREASE IN THE COST OF PRODUCING OIL AND GAS COMPARED TO CURRENT LAW.	HOUSE APPROPRIATIONS COMMITTEE	OCT 27, 1985 PROVIDED TO REQUESTER: UNPUBLISHED
TAX ANALYSIS DIVISION (510025)		
TAX REFORM: ITS EFFECT ON THE COAL INDUSTRY ANALYSIS ASSESSES THE EFFECTS OF THE ELIMINATION OF THE DEPLETION ALLOWANCE, THE IMPOSITION OF A MINIMUM TAX IN RELATION TO THE EXPENSING OF INTANGIBLE DEVELOPMENT COSTS, REPEAL OF INVESTMENT TAX CREDIT, CHANGING OF ACRS SYSTEM, AND OTHER PROVISIONS.	SENATE ENERGY AND NATURAL RESOURCES COMMITTEE	MAY 20, 1986 PROVIDED TO REQUESTER: UNPUBLISHED
TAX ANALYSIS DIVISION (410003)		
THE TAX-EXEMPT FINANCING OF STUDENT LOAN BONDS STUDY OF TAX-EXEMPT BONDS, ISSUED UNDER GUARANTEED STUDENT LOAN AND PLUS PROGRAMS, AND ARBITRAGE RULES FOR SUCH BONDS. MANDATED BY SECTION 625(A) OF THE TAX REFORM ACT OF 1984.	SENATE FINANCE COMMITTEE SENATE LABOR AND HUMAN RESOURCES COMMITTEE HOUSE WAYS AND MEANS COMMITTEE HOUSE EDUCATION AND LABOR COMMITTEE	AUG 11, 1986 PUBLISHED
TOPIC: TRANSPORTATION		
NATURAL RESOURCES AND COMMERCE DIVISION (340012)		
THE ECONOMIC POTENTIAL OF TOLL ROADS AN ANALYSIS OF THE ECONOMIC POTENTIAL FOR TOLL ROADS IN HELPING TO MEET THE NEEDS OF THE NATION'S HIGHWAY SYSTEM.	SENATE ENVIRONMENT AND PUBLIC WORKS COMMITTEE	DEC 01, 1985 PUBLISHED
NATURAL RESOURCES AND COMMERCE DIVISION (440027)		
ECONOMIC VIABILITY OF CONRAIL (TRANSFERRING CONRAIL TO THE PRIVATE SECTOR: ECONOMIC AND BUDGETARY ISSUES) THE PAPER WILL ANALYZE THE ECONOMIC AND BUDGETARY ISSUES SURROUNDING THE SALE OF CONRAIL.	HOUSE ENERGY AND COMMERCE COMMITTEE	SEP 01, 1986 PUBLISHED

REPORT ON UNAUTHORIZED APPROPRIATIONS
AND EXPIRING AUTHORIZATIONS

January 15, 1987

INTRODUCTION

The Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177) requires the Congressional Budget Office (CBO) to report to the Congress on unauthorized appropriations and expiring authorizations. Section 221(b) of the Act added this requirement to Section 202(f) of the Congressional Budget and Impoundment Control Act of 1974, as amended:

> *"(3) On or before January 15 of each year, the Director, after consultation with the appropriate committees of the House and the Senate, shall submit to the Congress a report listing (A) all programs and activities funded during the fiscal year ending September 30 of that calendar year for which authorizations for appropriations have not been enacted for that fiscal year, and (B) all programs and activities for which no authorizations for appropriations have been enacted for the fiscal year beginning October 1 of that calendar year."*

The new requirement expanded functions CBO had performed at the request of the Budget Committees for a number of years. The conference report on the Balanced Budget Act states that the purpose of the requirement is "to help Congress use the early months of the year to adopt authorizing legislation that must be in place before the thirteen regular appropriation bills can be considered."

The body of this report consists of two appendices listing unauthorized FY 1987 appropriations and authorizations that will expire by the end of FY 1988. The listings include data on all public laws enacted during the Second Session of the 99th Congress.

APPENDIX A: SUMMARY OF FISCAL YEAR 1987 APPROPRIATIONS FOR PROGRAMS AND ACTIVITIES WITH EXPIRED OR INSUFFICIENT AUTHORIZATIONS

Appendix A combines data from CBO's Legislative Classification System (LCS) and current level estimates for FY 1987. CBO uses the LCS to compile and update information on the authorizing laws for each budget account as well as the House and Senate committees that originated and have jurisdiction over those statutes. The LCS contains data on individual provisions of law that authorize government programs and activities, but does not include information on individual projects, which usually are smaller in scope and cost than programs or activities and often do not have specific statutory authorizations. CBO's current level estimates, in contrast, are at the level of individual budget accounts, which frequently include funding for numerous programs, activities, or projects.

The format of Appendix A reflects the difference in the levels of detail provided by the two types of data. Information on expired or insufficient authorizations of appropriations for programs and activities that have been funded in FY 1987 is listed by appropriation account beneath the current FY 1987 appropriation for each account. Most of the provisions authorized appropriations before FY 1987 and thus have expired; some authorize less money for FY 1987 than has been appropriated. A key to the listing has been provided to assist the reader.

In some instances, an appropriation funds more than one program or activity and the legislative history indicates that Congress intended to provide a specific sum for particular programs funded by the appropriation. In those cases, CBO has compared that sum with any amount authorized to be appropriated for the item in FY 1987 to determine if any of the funds were provided without authorization. If so, information on the insufficient authorization of FY 1987 funding for the particular program is displayed.

Tables 1 and 2 organize the amounts appropriated in FY 1987 for programs and activities with expired or insufficient authorizations of appropriations by House and Senate authorizing committees, respectively. For programs and activities that lack FY 1987 authorizations of appropriations, the amounts include the total FY 1987 appropriation. Where the FY 1987 appropriation for a program or activity exceeds the amount(s) authorized to be appropriated, the figures include the excess amount.

TABLE 1. FY 1987 APPROPRIATIONS FOR PROGRAMS AND ACTIVITIES WITH EXPIRED OR INSUFFICIENT AUTHORIZATIONS OF APPROPRIATIONS, BY HOUSE AUTHORIZING COMMITTEE

Committee	Programs/Activities Lacking FY 1987 Authorizations ($ millions)	Programs/Activities With Insufficient FY 1987 Authorizations ($ millions)
Agriculture	59.4	--
Armed Services	122.2	462.2
Banking, Finance, and Urban Affairs	12,477.9	--
District of Columbia	--	135.4
Education and Labor	--	3.5
Foreign Affairs	--	190.5
Government Operations	--	--
House Administration	12.8	--
Interior and Insular Affairs	2.0	--
Energy and Commerce	3,273.5	--
Judiciary	1,121.1	2,768.8
Merchant Marine and Fisheries	110.0	26.0
Post Office and Civil Service	--	--
Public Works and Transportation	4,939.9	--
Science and Technology	11,877.5	--
Small Business	--	--
Veterans Affairs	--	--
Ways and Means	47.2	--
Total a/	33,364.7	3,586.3

SOURCE: Congressional Budget Office.

a. Appropriations under the jurisdiction of more than one committee are counted only once in totals.

TABLE 2. FY 1987 APPROPRIATIONS FOR PROGRAMS AND ACTIVITIES WITH EXPIRED OR INSUFFICIENT AUTHORIZATIONS OF APPROPRIATIONS, BY SENATE AUTHORIZING COMMITTEE

Committee	Programs/Activities Lacking FY 1987 Authorizations ($ millions)	Programs/Activities With Insufficient FY 1987 Authorizations ($ millions)
Agriculture, Nutrition and Forestry	59.4	--
Armed Services	--	462.2
Banking, Housing and Urban Affairs	14,836.8	--
Commerce, Science and Transportation	10,742.0	26.0
Energy and Natural Resources	3,509.7	--
Environment and Public Works	2,943.0	--
Finance	47.2	--
Foreign Relations	--	190.5
Governmental Affairs	--	135.4
Judiciary	815.6	2,768.8
Labor and Human Resources	520.3	3.5
Rules and Administration	12.8	--
Veterans Affairs	--	--
Indian Affairs	--	--
Small Business	--	--
Total a/	33,364.7	3,586.3

SOURCE: Congressional Budget Office.

a. Appropriations under the jurisdiction of more than one committee are counted only once in totals.

APPENDIX B: SUMMARY OF AUTHORIZATIONS WITH BUDGETARY IMPACT EXPIRING BETWEEN JANUARY 1, 1987 AND SEPTEMBER 30, 1988

Appendix B lists provisions of law with budgetary impact that will expire between January 1, 1987 and September 30, 1988. For each provision that authorizes appropriations, the listing indicates the authorized funding level for each fiscal year. Other types of expiring authorizations listed include:

- Organic authorizations (including spending authority defined by Section 402(c)(2)(A) of the Congressional Budget Act);
- Credit authorizations--grants of authority to make direct loans or to guarantee or insure the indebtedness of others; and
- Contract authority (as defined by Section 402(c)(2)(A) of the Budget Act).

A key to the listing in Appendix B has been provided to assist the reader.

Tables 3 through 6 provide aggregate information on the expiring provisions of law listed in Appendix B. Table 3 summarize the expiring provisions by type of authorization. Tables 4 and 5 summarizes the expiring authorizations of appropriations by House and Senate authorizing committees, respectively. Shown for each committee are the number of authorizations, and the total appropriations authorized by those provisions, which will expire by the end of fiscal years 1987 and 1988. Table 6 lists the laws which will expire by the end of FY 1987 and which authorize FY 1987 appropriations greater than $100 million.

TABLE 3. SUMMARY OF AUTHORIZATIONS EXPIRING BEFORE FISCAL YEARS 1988 AND 1989

	Before FY 1988	Before FY 1989
Authorizations of appropriations:		
Less than $50 million	96	65
$50 to $500 million	54	15
Greater than $500 million	48	7
Such sums as may be necessary	11	14
Multiyear	24	3
Organic authorizations	22	20
Credit authorizations	10	4
Contract authority	1	1
Total	266	129

SOURCE: Congressional Budget Office.

TABLE 4. SUMMARY OF AUTHORIZATIONS OF APPROPRIATIONS EXPIRING BY DATE AND HOUSE AUTHORIZING COMMITTEE

	Expiring Before FY 1988		Expiring Before FY 1989	
Committee	Number	Total Amount ($ millions)	Number	Total Amount ($ millions)
Agriculture	2	60.0	–	–
Armed Services	52	217,087.2 a/	1	1.5
Banking, Finance, and Urban Affairs	1	145.3	–	–
District of Columbia	–	–	–	–
Education and Labor	14	2,714.5	10	833.8
Foreign Affairs	46	18,088.2 b/	4	204.9
Government Operations	–	–	1	5.0
House Administration	–	–	–	–
Interior and Insular Affairs	8	253.1	1	3.2
Energy and Commerce	27	1,616.6	39	5,023.4
Judiciary	11	274.0	7	640.4
Merchant Marine and Fisheries	13	3,068.5	13	125.4
Post Office and Civil Service	2	1,999.6	1	2.0
Public Works and Transportation	7	6,535.8	2	52.0
Science and Technology	14	3,995.0	4	491.0
Small Business	–	–	1	634.0
Veterans Affairs	–	–	–	–
Ways and Means	3	1,011.2	1	46.5
Intelligence	2	169.8	–	–
Total c/	208	311,306.9	87	8,393.0

SOURCE: Congressional Budget Office

a. Includes 2-year authorizations from P.L. 99-661 that expire at end of FY 1988 because most have been funded in FY 1987.

b. Includes 2-year authorizations from P.L. 99-399 that expire at end of FY 1987.

c. Totals adjusted to account for shared committee jurisdictions.

TABLE 5. SUMMARY OF AUTHORIZATIONS OF APPROPRIATIONS EXPIRING BY DATE AND SENATE AUTHORIZING COMMITTEE

	Expiring Before FY 1988		Expiring Before FY 1989	
Committee	Number	Total Amount ($ millions)	Number	Total Amount ($ millions)
Agriculture, Nutrition and Forestry	2	60.0	--	--
Armed Services	49	217,524.5 a/	--	--
Banking, Housing and Urban Affairs	1	145.3	--	--
Commerce, Science and Transportation	29	9,747.0	12	972.1
Energy and Natural Resources	2	152.0	3	873.9
Environment and Public Works	4	35.7	16	273.0
Finance	3	1,011.2	1	46.5
Foreign Relations	45	18,087.2 b/	2	45.0
Governmental Affairs	1	125.8	2	7.0
Judiciary	11	274.0	7	640.4
Labor and Human Resources	36	7,471.0	40	4,569.6
Rules and Administration	--	--	--	--
Veterans Affairs	--	--	--	--
Indian Affairs	4	60.9	--	--
Small Business	--	--	1	634.0
Intelligence	2	169.8	--	--
Total c/	208	311,306.9	87	8,393.0

SOURCE: Congressional Budget Office

a. Includes 2-year authorizations from P.L. 99-661 that expire at end of FY 1988 because most have been funded in FY 1987.

b. Includes 2-year authorizations from P.L. 99-399 that expire at end of FY 1987.

c. Totals adjusted to account for shared committee jurisdictions.

TABLE 6. EXPIRING LAWS THAT AUTHORIZE APPROPRIATIONS GREATER THAN $100 MILLION FOR FY 1987

Public Law Title	Public Law Number	Appropriations Authorized a/ ($ millions)
National Defense Authorization Act for Fiscal Year 1987	99-661	216,780.8 b/
International Security and Development Cooperation Act of 1985	99-83	12,792.3
Tax Equity and Fiscal Responsibility Act of 1982	97-248	6,555.0
Foreign Relations Authorization Act, Fiscal Years 1986 and 1987	99-93	3,837.7
Coast Guard Authorization Act of 1986	99-640	2,513.8
National Science Foundation Authorization Act for Fiscal Year 1987	99-383	1,774.7
Older Americans Act Amendments of 1984	98-459	1,372.6
Rehabilitation Amendments of 1984	98-221	1,217.6
Omnibus Diplomatic Security and Antiterrorism Act of 1986	99-399	1,180.9 c/
Anti-Drug Abuse Act of 1986	99-570	1,112.5
Omnibus Budget Reconciliation Act of 1986	99-509	1,001.2
Alcohol Abuse, Drug Abuse, and Mental Health Amendments of 1984	98-509	596.0
Special Foreign Assistance Act of 1986	99-529	495.8
Panama Canal Commission Authorization Act, Fiscal Year 1987	99-368	437.2
Preventive Health Amendments	98-555	255.5
Intelligence Authorization Act for Fiscal Year 1987	99-569	169.8
Consolidated Omnibus Budget Reconciliation Act of 1985	99-272	164.2
National Historic Preservation Act Amendments of 1980	96-515	150.0
Intelligence Authorization Act for Fiscal Year 1987	99-569	147.8
Export-Import Bank Act Amendments of 1986	99-472	145.3
National Bureau of Standards Authorization Act for Fiscal Year 1987	99-574	126.7

SOURCE: Congressional Budget Office.

a. Authorizations of specific amounts only.

b. Authorizations of appropriations for military construction programs will expire at end of FY 1988 but are included since most have been funded in FY 1987.

c. Authorizations for FY 1986 and 1987.

Letter From Rudolph G. Penner

February 4, 1987

Honorable Charlie Rose
Chairman
Subcommittee on Office Systems
Committee on House Administration
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

In response to your letter of January 20, 1987, I am stating in greater detail our reasons for selecting the Senate telecommunication offering by C&P.

Our cost comparison of the Senate and House telecommunication proposals revealed that the Senate option for the Congressional Budget Office was 7 percent less expensive (details attached). The Senate costs also were more certain as the House had not established how overhead costs would be allocated among users.

In addition to the direct cost savings, we considered the operational savings that would result since the new C&P (Senate) system offers CBO a 50 percent savings over current operating costs. Therefore, an early CBO installation will result in substantial savings. It was our judgment last fall that the Senate system would be available sooner than the House's offering, thus resulting in immediate savings to CBO. As you may know, the Senate system was put into operation in December of 1986. We are still uncertain when the House system will be available to the CBO.

Another major criteria used by CBO was the anticipated ease of conversion in order to minimize the impact on CBO staff. The information provided to CBO indicated that the Senate system would cause fewer problems and disruptions because it would use existing wiring and that the timing of the conversion would be more suitable to CBO's workload.

The final area of concern to us was the ability to manage our resources and to monitor our costs in a timely fashion. Again, the Senate offer provides us with more management control through direct access to the vendor for billing and repairs, as well as an in-house capability to move telephones.

After examining all of these features, my staff met with representatives of AT&T to see if they could resolve these differences. Unfortunately, AT&T's proposed solution would have added significantly to CBO's costs and would also have restricted the agency's flexibility to make future changes.

Members of my staff have discussed these limitations with AT&T staff, your staff, the Architect's staff, and the staff of the House Committee on Appropriations.

I hope this letter adequately explains to you our reasons for selecting the Senate telecommunication plan. As I indicated earlier, the quicker we move to the new technology, the greater the savings to the Congressional Budget Office.

With best wishes,

Sincerely,

Rudy P

Rudolph G. Penner
Director

ATTACHMENT
2/4/87

Local Telephone System Analysis--Summary Cost Comparison

	C&P (Senate)	AT&T (House)	Current System
Capital Costs			
Switch	$ 233,248	$ 223,274	
Wiring	16,138	18,140	
Sets	99,385	82,956	
Total Capital Costs	$ 348,771	$ 324,370	$ 0
Operating Costs (Year 1)			
Trunk Cost	$ 0	$ 16,400	
Local Service	34,694	31,484	
Operation and Maintenance	33,691	30,552	
Total Operating Costs	$ 68,385	$ 78,436	$ 150,000
TOTAL COST: 10 YEAR CONTRACT	$1,081,943	$1,153,454	$1,886,684

Senator Reid. Mr. Gramlich, we note with great interest your background. I think you will be a great addition to the Congressional Budget Office.

Mr. Gramlich. Thank you very much, sir.

Senator Reid. In light of the fact that you have been here 4 days, we are going to take it real easy on you.

Mr. Gramlich. Fair enough.

Senator Reid. I have some questions here from Senator Bumpers that we will submit in writing.

Mr. Gramlich. Thank you, Mr. Chairman.

SUBMITTED QUESTIONS

[The following questions were not asked at the hearing but were presented to the Congressional Budget Office in writing for response for the hearing record:]

QUESTIONS SUBMITTED BY SENATOR BUMPERS

BUDGET RESTRAINT

Question. During a time of crucial budget restraints, how has CBO been affected? Give a breakdown of any cuts made in the various sections. Are any of these cuts crucial to the smooth flow of the office?

Answer. In fiscal year 1986 CBO received an appropriation almost 9% below the amount requested. In order to meet this reduced level, funds were allocated for only 216 of the 222 authorized positions at the time, and planned equipment and software purchases were cut in half. Then, in the same year, the agency had to absorb a sequestration of 4.3% which resulted in a reduction of the intern program, cut backs in computer timesharing, and a freeze of all system upgrades and development projects. Since all of these reductions occurred while the workload was increasing significantly with new duties mandated under the Balanced Budget and Emergency Deficit Control Act of 1985, CBO was forced to place enormous demands on employees in order to maintain the work flow.

In fiscal year 1987, CBO requested 10 new staff positions to handle the increased workload. The fiscal year 1987 appropriation provided four new staff positions and funds for mandatory and price increases. The agency will make every effort to continue to provide the quality analysis and level of response the Congress has come to expect.

BUDGET PREPARATION

Question. What kind of time consumption is used in providing your budget justification spreadsheets?

Answer. The CBO budget justification submitted to the subcommittee follows the format developed by the House Appropriations Subcommittee on Legislative several years ago in an attempt to improve the uniformity of submissions by the legislative support agencies. Since this format is designed to handle the more complex structures and budgets of larger agencies as well as the smaller agencies such as CBO, some schedules might appear to be repetitious. CBO has an organizational structure that is not complex and a budget primarily consisting of employee, computer, and administrative costs. While the justification is certainly a formidable task to prepare, the use of microcomputer spreadsheet programs and a growing familiarity with the format has reduced the preparation time of the spreadsheets to about two weeks, not including the actual gathering of the information or the text sections of the justification.

STAFF LEVEL

Question. With the present staff at CBO, you can handle a large number of requests. Is the present staff adequate enough if the load was greatly increased? Do you foresee any problems with this in the near future or would that have to be reviewed at that time?

Answer. CBO's current authorized staff ceiling is 226. In 1976, the agency's first full year of operation, the staff ceiling was 193. The build up of staff has been gradual, predicated as it has been on a policy of CBO's Directors to request additional staff only when assigned new duties by the Congress. CBO's fiscal year 1987 budget submission requested an increase in our staff ceiling as a result of the passage of the Balanced Budget and Emergency Deficit Control Act of 1985, which assigned a whole host of new duties to the CBO. To help with these new duties, the CBO was authorized four new positions.

Currently, CBO is operating near its capacity. The agency provides hundreds of cost estimates annually; provides weekly scorekeeping reports to the Budget Committees; provides, twice annually, forecasts of the budget and the economy; as well as providing an analysis of the President's budgetary proposals and a volume of deficit reduction options. It consistently produces more than 30 published reports on programmatic issues a year as well as scores of unpublished reports in response to requests of chairman and ranking committee members. Its staff regularly testifies before the entire spectrum of congressional committees. Informally, it answers hundreds of requests from Congressional offices from information previously collected. It is unlikely that the present staff could handle a "greatly increased" workload with the efficiency currently exhibited.

Routinely, a number of bills introduced each legislative session carry additional reporting requirements for CBO. Most of these do not become law. There are currently several bills among the coterie of international trade legislation being considered that could impose significant new duties upon CBO. These proposed new duties include:

- Analyzing and reporting the effect of the concurrent budget resolution on international competitiveness;

- Making impact estimates, similar to cost estimates,of the cost to American consumers of every bill or joint resolution reported by any committee of both Houses of Congress that may effect international trade;
  and,

- Monitor all trade legislation being considered by any Congressional committee, analyze, and report its potential impact on the international trade of the United States and on the ability of foreign firms to compete in foreign markets.

Should any or all of these provisions be included in the Omnibus Trade Legislation currently making its way through Congress, CBO would require additional resources to perform these duties. Without a resource adjustment, it would not be possible to maintain the high level of professionalism in which the agency takes considerable pride and which the Congress demands.

EMPLOYEE TURNOVER

Question. It has been stated that you have a fast or regular turnover in employees. Can you explain the reason why the staff changes so often?

Answer. CBO, like all congressional support agencies, experiences regular turnover of staff. Professional staff changes at CBO average 16%--a very moderate rate. While it is true that some loss of staff is attributable to higher salaries available in the private sector, the turnover rate at the senior level averages only 4%. By far the largest turnover is among the more junior staff, many of whom come to CBO for a year or two to gain practical experience prior to continuing graduate or doctoral studies. CBO encourages this process because of the benefits derived from the infusion of professional young talent. On the other hand, since much of the work of the CBO calls for special analytic skills, it is advantageous to encourage employees with expertise in specialized areas to stay for longer periods of time. CBO's success rate in this regard is quite satisfactory. The moderate turnover rate achieves a good balance, allowing the organization not only to attract good talent, but to keep a capable and experienced staff.

BUDGET PROJECTS

Question. Are there any new innovative ideas or projects going into effect for fiscal year 1988?

Answer. A major new project CBO has planned that is included in the fiscal year 1988 budget is the installation of a new telecommunications system which is necessary due to the actions taken by the House and Senate. The estimated capital cost of the new system is about $350,000 with an annual operating savings of $75,000. In addition, it is often the case that CBO must respond to new analytical requests from the Congress resulting from legislative measures that cannot be anticipated.

BIENNIAL BUDGET CYCLE

Question. Would your department/agency favor a biennial budget process? What benefits would your agency achieve in a two-year appropriation cycle?

Answer. CBO has long supported the concept of biennial budgeting. In a February 1977 CBO publication entitled "Advanced Budgeting: A Report to the Congress" a recommendation contained in the mandated study called for the identification of programs amenable to a two-year appropriations cycle. Such a procedure would be most appropriate for an agency such as CBO where very little change is noted from year to year.

The primary benefit of a two-year appropriation cycle to CBO in terms of its own internal budget process would be the time gained in the off-year for additional financial analysis and improved financial management.

Question. Approximately what proportion of your annual appropriation request would you consider simply repetitious of the previous year's submission?

Answer. On average, over 90% of CBO's budget request is repetitious of the previous year.

Question. What difficulties can you foresee in preparing and submitting a two-year budget to the Congress?

Answer. The major difficulty would be in forecasting the second year price increases and computer usage. Also, any significant new duties assigned to the agency by the Congress would be hard to anticipate and would have to be funded by either a carryover of funds from the first year or a supplemental.

Question. Would you expect to realize any budget savings if you could plan your agency budget on a two-year basis? If so, could you estimate how much?

Answer. Any budget savings would probably result from financial management initiatives that could be undertaken in the time currently spent on the preparation and the appropriations process associated with the second year's budget. It is also possible that the two year cycle would put pressure on vendors to provide two-year price guarantees. But it is difficult at this time to quantify any savings.

Question. If you oppose the biennial budget concept, please give this subcommittee your reasons why.

Answer. The Congressional Budget Office does not oppose the biennial budget concept.

CONCLUSION OF HEARINGS

Senator REID. There being nothing further to be brought before this committee, we will stand in recess and reconvene at the call of the Chair.

[Whereupon, at 3:25 p.m. Thursday, March 5, the hearings were concluded and the subcommittee was recessed to reconvene at the call of the Chair.]

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